

USAID/Rwanda

Annual Report

FY 2005

December 17, 2004

Please Note:

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A. Program Performance Summary

Program Narrative (FY 2004): Background: Rwanda is a country with limited terrain (26,338 km²) and a population of 8.2 million that gives it the highest population density in Africa. Ten years after the genocide that devastated the country and left nearly one million people dead, major milestones on the road to recovery are in place. Rwanda is a relatively safe country in a turbulent neighborhood that must constantly weigh its need for internal and external security against the gradual democratization and decentralization that the country requires to promote economic growth. With a population growth rate of 2.9% and 329 persons per square kilometer, the land reform law currently in Parliament is long overdue. Careful attention to the implementation of the law can help forestall possible internal conflict over this scarce resource.

Regional Affairs: The Government of Rwanda (GOR) plays an active role in the Great Lakes Region and Africa in general. While there is some concern with Rwanda's recent actions to assure internal security through its involvement in the eastern Democratic Republic of the Congo (DRC), Rwanda has by and large actively participated in and is committed to working with its regional partners to assure long term peace and stability in the Great Lakes Region. In October 2004, the GOR signed a Tripartite Agreement with the DRC and Uganda to improve regional security through a joint verification mechanism. Recently, President Paul Kagame participated with other heads of state at the Great Lakes Conference in Tanzania leading to an agreement to work together on regional peace and stability. Along with three other countries, Rwanda volunteered to participate in the New Partnership for Africa's Development's (NEPAD) peer review process in which other experts from African countries will assess Rwanda's progress on governance. Rwanda recently sent 392 peacekeeping troops to Darfur for the African Union. The US military provided airlift to help Rwandans meet this commitment.

Governance: One year after the end of the transition period and the presidential and parliamentary elections, there is strong progress and political will to decentralize government services to the local level. At the same time, the GOR is downsizing its public sector dramatically. It recently laid off 1,500 civil servants, as stipulated in debt relief requirements under the Heavily Indebted Poor Country Initiative (HIPC). The GOR's commitment to private sector led economic growth is demonstrated by its investment and export promotion policies and privatization program. The GOR, on the other hand, legitimately weighs its internal security concerns and the fear of a return of ethnic based violence, and has continued to restrict the freedom of expression of political parties and the media. The murder of genocide witnesses has added to those fears. The adjudication exercise to liquidate the staggering 100,000 plus case backlog of 1994 genocide crimes is making slow progress. Enormous citizen expectations ride on this process and pose a challenge to the GOR's attempts to punish those responsible for the genocide and foster national reconciliation. A land reform law currently in Parliament will bring both political and economic benefits to Rwanda where 55% of farms are less than one half hectare in size. Implementation of the new law could lead to conflict if not implemented carefully.

Health & HIV/AIDS: Rwanda ranks 159 out of 177 states on the UNDP's list of basic human development indicators. HIV/AIDS prevalence at 5.1% indicates an entrenched epidemic. Malaria is still the number one killer in children under 5 followed by diarrhea and respiratory infections. Infant and child mortality is 107 per thousand and one child in five does not live to five years. Maternal mortality is one of the highest in Africa, due in part to high fertility rates (5.8 children per family). Rwanda is a focus country under the President's Emergency Plan for AIDS Relief (PEPFAR) and began full implementation of this program in 2004. With new resources USAID expanded access to lifesaving drugs, prevented the HIV infection of children whose mothers are HIV positive, and provided counseling and testing on HIV in over 48 health facilities to over 80,000 people. USAID expanded care for orphans and vulnerable children and abstinence programs. In concert with other USG agencies implementing this initiative, USAID is addressing the HIV crisis by improving national systems for prevention, treatment and care.

Economic performance: Poor rainfall in 2004 has had the anticipated effect of lowering agricultural production, reducing crop exports and leading to major increases in food imports. Even with poor rainfall, in 2004 the coffee sector made progress with important price and production gains in the higher priced fully washed coffee where USAID is assisting producers. Total exports increased by 52% over last year

due largely to an increase in coffee and mineral exports. However, the fiscal deficit (without grants, 14.8% of GDP) remains high despite increases in revenue collection. The GOR is highly reliant on assistance, with 32% of the budget funded by grants and 10% by loans. The service sector grew at nearly 10% in 2004. Agriculture produces 44% of GDP and was flat, with 0.2% growth. The World Bank recently signed a combined credit and grant package of \$65 million for poverty reduction support signaling increased international confidence in medium term economic prospects and GOR measures to resume growth in the economy. Rwanda realized \$22.9 million in debt forgiveness under HIPC in 2003. With continued satisfactory macroeconomic performance, it is expected that Rwanda will reach its HIPC Completion Point in February 2004.

Human Capacity: In its Vision 2020 strategy document, the GOR lays out a plan to reduce agriculture's share of employment from 90% to 50% by 2020. Moving employment to transportation, information and market sectors requires a huge human resource investment in education and training. This transformation seeks to take advantage of Rwanda's geographic position as a north-south, east-west crossroads in Africa. Information technology is seen as a major factor in helping Rwanda position itself to participate economically in the region. Both the GOR and the private sector lost large numbers of trained people during the genocide, and rebuilding this capacity will take time. Low levels of education also result in large numbers of unskilled people. Adult literacy is only 69%, the average adult has less than two years of schooling, and only 53% of children are enrolled in school. HIV/AIDS contributes to the short life expectancy, down to 39 years, and also poses a threat to the availability of trained human resources. While the large increase in funding for HIV/AIDS is welcome, there are too few nurses and doctors in the country to administer the lifesaving drugs and provide other needed health services. Training enough doctors and nurses to deal with the pandemic remains a concern. Due to a burgeoning youth population, the demobilization of soldiers, and the release of prisoners, those seeking gainful employment will greatly outnumber the jobs available.

U.S. Interests and Goals: Rwanda is a relatively stable country in an unstable region. Upcoming elections in Burundi and the Democratic Republic of the Congo are sure to challenge regional equilibrium. With its internal stability and strong military, Rwanda is a key ally of the U.S., needed to promote peace and regional stability in the Great Lakes Region. U.S. goals are to ensure that Rwanda honors its regional agreements externally and promotes democracy and human rights internally. USAID is addressing democratization through its democracy and governance program which focuses on democratic local government and decentralization, promoting democratic national governance with the Parliament, supporting civil society and improving community based reconciliation efforts. Decentralization is a key focus of all the U.S. programs including anti-corruption, health service delivery, export promotion and education. The U.S. can decrease the risk of conflict by helping Rwanda create a sound economic future for its people. USAID's rural economic growth program is helping to advance economic prosperity and increase rural incomes. It also promotes value added agricultural products and helps to diversify Rwanda's export products under the African Growth and Opportunity Act (AGOA). However, the first U.S. priority is fighting HIV/AIDS in Rwanda. With an HIV prevalence rate of 5.1%, HIV/AIDS remains an entrenched epidemic that could seriously undermine any social and economic progress.

Donor Relations: The GOR and UNDP jointly chair the donor coordination process in Rwanda which is organized into sector cluster groups. USAID is the donor chair for the Private Sector and HIV/AIDS clusters and plays an active role in the Health, Decentralization, and Governance clusters. The United Kingdom (U.K.) and Belgium are Rwanda's first and second largest bilateral partners followed by the Netherlands and the U.S. New resources for HIV/AIDS are increasing U.S. prominence and influence within the donor community.

The GOR strongly advocates budget support and organizes donors into budget support and program support donors. The budget support donors include the U.K., Belgium, Sweden, European Union (EU), the World Bank, the African Development Bank (AfDB) and the IMF. USAID leads the program support donors in terms of resources. The Ministry of Finance and Economic Planning is an active and engaged partner in all donor coordination groups. USAID seeks out collaborative implementation arrangements with other donors to reduce transaction costs and increase impact of funds. As the lead donor, USAID

works closely with the World Bank and the Global Fund for HIV/AIDS, Malaria and Tuberculosis on HIV/AIDS. In decentralization, USAID works with Switzerland, the U.K. and Belgium on judicial reform and conflict management. Belgium is the lead on non-HIV Health and gets strong policy support from USAID in that cluster. For rural economic growth and agriculture, USAID coordinates closely with the EU, the World Bank and the U.K. The U.K. is the lead agency for education and macro-economic technical assistance, Canada supports gender initiatives and Germany supports environmental programs.

Challenges: Rwanda has made significant progress in promoting internal security, private sector growth and promoting a unified national response to HIV/AIDS but it still faces formidable challenges both internally and externally. Regionally, Rwanda's neighbors, Burundi and the DRC, remain unstable and scare off potential investors to Rwanda. Regional instability contributes to 42,588 refugees in Rwanda of which Congolese make up 95%. Rwanda's commitment to market and trade liberalization was confirmed by its membership in the Common Market of Eastern and Southern Africa (COMESA) early this year, yet growth in value added exports is still needed to reduce overall poverty. Energy shortages this year have slowed economic growth and remain a challenge that the GOR is trying to address through the national energy policy.

The GOR personnel downsizing combined with limited human capacity will present major challenges to government service delivery, especially in the health sector where increases in resources to deal with HIV/AIDS will require many more skilled managerial and health professionals than are currently available. Current estimates find 612,000 people food insecure in Rwanda, who will need 30,000 metric tons of food assistance for the next three months. While these estimates may be conservative, the GOR has not yet reacted by issuing a request for emergency food assistance. Inflation was 12% in 2004 and food prices increased even more severely (vegetables 42% and bread 27%). Currently, rainfall is only 66% of last year's. The food insecurity will not change until the next harvest in 2005.

Other Programs: Non-emergency P.L. 480 Title II programs are directly linked to USAID's rural economic growth program, contributing to employment, introduction of improved agricultural technologies, agribusiness development, incomes and food security. Food aid partners promoted soil and water conservation through terracing steep slopes, land reclamation in the wetlands and improved agricultural practices in targeted areas through farmers' organizations. USAID supports efforts to improve agricultural productivity and increase food security. USAID's centrally-funded Famine Early Warning System provides timely information on the location and needs of vulnerable populations, which can change with the onset of droughts, floods, earthquakes and volcanic eruptions.

Key Achievements: The USAID program in Rwanda progressed well in FY 2004. USAID built on lessons learned and continued constructive engagement on policy issues. With USAID assistance, Rwanda made significant gains in decentralization policies, the legislative process, and expansion of HIV/AIDS services. This effectiveness is due in large measure to the respect and confidence shared by GOR and USAID officials. USAID has a well-earned reputation as a reliable partner willing to approach delicate issues with frankness and positivism. The challenge in the coming years will be to implement new policies given the GOR's resource constraints.

Democracy and Governance: With USAID assistance, Parliament has accepted the importance of citizen participation in its deliberations, opening committee meetings of both the Chamber of Deputies and the Senate to the public. Parliament incorporated input from citizens on the proposed land bill. The number of formal executive oversight sessions in the Chamber of Deputies increased by 50% over a comparable period in 2003.

USAID's work on fiscal decentralization led to the development of two systems manuals covering budget and treasury. These manuals are being used in at least 85% of the districts of the country, up from 75% last year. Using these manuals, districts are producing new accounting reports on a consistent basis. USAID also supported the establishment of the Local Government Finance Unit (LGFU) within the Ministry of Local Government. The LGFU serves as a monitoring and coordination office for the national fiscal decentralization program. With the greater accountability promoted by USAID, other donors are using USAID-funded manuals to expand their support for decentralization. A national voter database

connecting the headquarters and provincial offices was established and 4.1 million fraud-free voter cards were produced.

Using a training of trainers approach going down from the national level to the district, sector and cell levels, 551 Gacaca (traditional mediation) judges were trained in sexual and gender based violence issues. 21,630 Gacaca judges at the sector level also received human rights promotion/protections training. Of those genocide survivors who participated in the campaign on sexual and gender-based violence, 88.5% are now ready, motivated and willing to provide their testimonies to the Gacaca courts.

USAID supported civic education by training 1,032 trainers who in turn trained thousands more in civic education workshops that took place in 59 of 106 districts nationwide. To foster reconciliation, USAID trained 1,655 people using a neighbor-to-neighbor approach and produced radio programs to promote trauma healing and reconciliation in Rwanda.

Health: Investments of USAID funds achieved significant increases in contraceptive prevalence, assisted deliveries, access to health care through insurance schemes, increases in immunization rates, access to insecticide treated bednets (ITNs) and HIV/AIDS prevention and treatment. USAID successfully assisted Rwanda in advancing its health policy of decentralization, identifying the health district as the cornerstone of the health system.

In safe motherhood, USAID funding supported the development of national maternal health norms and standards, protocol, and guidelines. The number of community-managed pre-paid health insurance schemes (mutuelles) in the five USAID focus districts grew from 54 to 90 and overall membership is over 386,359. Through USAID's support for the establishment of a School of Public Health (SPH) at the National University of Rwanda, 16 of 39 health districts had one or more members of the district health team enrolled in the SPH's Executive Master of Public Health program. In child survival, USAID focused on reducing maternal and child morbidity and mortality by training community health workers to strengthen the link between health facility staff and community health workers, leading to a 9% increase in one year for health facility usage. Contraceptive prevalence rates of family planning services, which were less than 1.5% in 2001 in all 7 USAID-assisted districts, reached levels as high as 12.6% in 2004.

HIV/AIDS: With USAID support, a total 48 clinical facilities are providing a combination of services, 28 provide voluntary counseling and testing (VCT) services to over 80,000 people, 34 facilities provide prevention of mother to child transmission (PMTCT) and 12 sites are providing anti-retroviral therapy (ART). The USAID-assisted ART sites provided treatment to over 1,000 patients in 2004, as compared to fewer than 100 in the entire country in 2003. The head of the Office of the Global AIDS Coordinator, Ambassador Tobias, recently cited Rwanda as a country with the very desirable single national plan, single coordination authority and single monitoring system. He complimented the head of the Rwandan AIDS commission for her excellent work coordinating this program for the country.

Rural Economic Growth: Export-oriented activities for the SO remained focused in specialty coffee, horticultural production, and processing technologies. Other promising sub-sectors such as chili peppers and dried fruits also made progress. 78 USAID-assisted enterprises reported a turn-over that went from approximately \$2 million in 2003 to \$4 million in 2004. Improved processing technologies including coffee washing, solar drying, and transformation equipment added significant value to select products. Results show a 91% increase in prices received for Rwandan coffee, a 63% increase in fruit juice price, a 200% increase in passion fruit price and a 200% increase in pyrethrum price. Through investments in the dairy sector, USAID helped to raise employment and rural incomes through the distribution of cows and the sale of milk.

USAID continued to enhance the technical and institutional capacity of Rwanda's leading credit union, the Union des Banques Populaires (UBPR). The gross loan volume increased by nearly \$4 million over this past year. Membership in USAID-assisted microfinance institutions increased significantly from 1,161 in 2003 to 18,212 in 2004 and 65% of the MFI members are women. In an effort to increase credit in the underserved agricultural sector, USAID instituted a loan portfolio guarantee agreement with Banque de Kigali, the leading commercial bank in Rwanda, which will lead to up to \$2 million in extra credit for the

agricultural sector.

Gender: Integration of gender is evident in every program component and impressive results are to be seen within USAID's program. Women are participating in record numbers in town hall meetings and joining civil society organizations that are changing district government priorities. 88.5% of genocide survivors who participated in USAID-funded training are ready to testify about sexual and gender-based violence. 1,500 girls benefited from the President's African Education Initiative scholarship program in 2004. An impressive number of women use microfinance to increase incomes for their families. Health and HIV programs have clearly defined targets to assist women and are getting good results. Across the USAID program, careful measurement of women's participation is an integral part of performance and gender analysis is an important aspect of program decision-making.

For more information, please go to the following web address: <<http://www.usaid-rwanda.rw>>

Environmental Compliance: The SO5 Initial Environmental Examination (IEE) was approved by the Bureau Environmental Officer (BEO) on June 1, 2004. SO5 is aware of the negative determination with conditions regarding the planned activities under IR 5.3 that will involve the Outdoor Adventure Therapy Program and will ensure required mitigating measures as outlined in Section 4 of the IEE are implemented to avoid adverse impacts.

The SO6 IEE for the increased use of community health services, including HIV/AIDS was approved by the BEO on June 24, 2004. SO6 is aware of the negative determination with conditions regarding the following three planned activities: (1) The use of ITNs including long-lasting ITNs, (2) support to limited expansion of HIV/AIDS prevention, VCT services, and ART treatment, and (3) under activities for innovative community financing. As required by ADS 204.5.4, the Rwanda SO6 team will actively monitor ongoing activities for compliance with approved IEE recommendations, and end activities that are not in compliance. The SO team will also ensure that mitigating measures and monitoring and evaluation requirements are incorporated in all contracts, cooperative agreements, grants and sub-grants. An amendment to the SO6 IEE covering in-country re-treatment of ITNs, called a Pesticide Evaluation Report and Safe Use Action Plan (PERSUAP) was cleared by the BEO on July 27, 2004.

The SO7 IEE was approved by the BEO on August 30, 2004. Regarding financial products, the expansion of microfinance and or micro-enterprises, appropriate environmental screening processes will be introduced by USAID-funded implementing partners. Agribusiness implementing partners will continue with implementation of recommendations in the Chemonics/ADAR Report: "Rwanda: Quality and Environmental Management Incentives for Agricultural Trade." Implementing partners shall adhere to proper road design, planning and rehabilitation as outlined in the USAID publication, "Environmental Guidelines for Small Scale Activities." Subject to funds availability, SO7 may convene a follow-on environmental management course, "Improving Micro- and Small Enterprise Success Through Cleaner Production."

B. SO Level Performance Narrative:

696-001: Increased rule of law and transparency in governance

Performance Goal: Measures adopted to develop transparent and accountable democratic institutions, laws, and economic and political processes and practices.

SO 04 Performance Overview:

04 SO Performance:

Strategic & Special Objective Closeout Report: Approval date: September 24, 1997

Period: 1997- 2005

Total Estimated Cost: \$57,970,000

Funds obligated: \$2,000,000 CSH, \$19,872,000 DA, \$15,048,000 DFA, \$21,050,000 ESF

Total obligated: \$57,970, 000

Other partner resources: World Links \$5,443,400; CARE International \$91,000

1. Background

Since 1995, USAID/Rwanda has ranked among the largest donor agencies in the Democracy and Governance sector. SO 1 has aimed activities at increasing the rule of law and transparency in governance. Activities in support of democracy and governance have been central to USAID programs not only because of the urgent need in post-genocide Rwanda, but also due to the deep realization that programs in the late 1980s failed to address the fundamental flaws in issues of governance that contributed to the devastation of the 1994 genocide. Programs since 1995 have helped to re-establish and maintain peace and security, encourage a more independent and effective judiciary, promote greater citizen representation to increase accountability and transparency at all levels of government, and promote the healing and tolerance that are the foundations of reconciliation and unity.

USAID activities in the early transition phase were aimed at providing security for Rwandan persons and property. Under SO 1, USAID supported the professional development of a new national police force. USAID provided this support under a special waiver. This program in 1996, USAID provided funding for the production of ethnicity-free identity cards as a measure to end divisionist discrimination. It also provided substantial amounts of demining assistance to clear Rwanda of mines left from the civil war.

In addition to being an early sponsor of the National Unity and Reconciliation Council (NURC), USAID has supported several justice sector activities to help facilitate national reconciliation. These activities include: the development of a nationwide justice sector computer network to facilitate both formal justice and Gacaca file transfers, the physical rehabilitation of regional court buildings; a wide-reaching conference on genocide; provision of essential commodities for the judicial investigators in order to compile case files for the over 115,000 prisoners detained on genocide-related charges; provision of a justice advisor to the Prosecutor General's office; and the establishment of an English-language law degree program at the National University of Rwanda. SO1 has also placed Rwandan journalists at the ICTR in Arusha, Tanzania, so that Rwandans could receive first-hand knowledge of the procedures.

One of the primary supporters of Gacaca, USAID has facilitated national consultations that helped to refine the Gacaca legal process, provided supplemental Gacaca judge training and support of a national Gacaca case management database.

USAID has focused many of its efforts at the community level in order to assist and empower individuals and groups particularly affected by the genocide. By supporting and promoting efforts to end sexual and gender-based violence, USAID has addressed some of the needs of survivors still struggling with the consequences of sexual torture. SO 1 has also provided grants to numerous groups addressing the needs of traumatized individuals. Additional grants were administered for community-based activities in which local groups identified their development needs and then implemented inexpensive but significant community projects. Working with local NGOs, USAID has worked with several local NGOs to increase their organizational capacity to assist and advocate for women, labor unionists, and political activists. This SO fostered USAID's commitment to developing strong and responsible civil society organizations

(CSOs) that can respond to local needs, while fostering national dialogue on sensitive post-genocide issues.

USAID has supported Rwanda's decentralization in several ways. In addition to facilitating the development of the national fiscal decentralization framework, USAID has established a nationally-accepted accounting system for district government offices and trained the relevant officials. Informed collaboration between CSOs and the Government of Rwanda (GOR) is an ongoing effort, as is support for increased transparency in the areas of policy development, implementation, and financial accountability.

The national elections held in 2003 represented the official end of the Transitional National Government, and were an important watershed in Rwanda's political development. In recognition of this fact, USAID/Rwanda supported the election process by funding educational election posters, providing polling station materials, and purchasing indelible ink. USAID also worked with the National Electoral Commission to establish a complete and transparent voter database system. USAID supported independent media coverage of the election process as well as a team of international observers.

In addition, with funding through the Leland Initiative, Education for Development and Democracy Initiative (EDDI), and an Africa Bureau (AFR) public-private partnerships award, USAID funded significant education and ICT (Information and Communications Technology) activities with the National University of Rwanda (NUR), the Kigali Institute of Science and Technology, the Kigali Institute of Education, and the Primary Education Department of the Ministry of Education. Through the purchase and installation of computer equipment, and technical assistance and training for professors, teacher trainers and teachers, all levels of the GOR education system are coming on-line and benefiting from ICT.

The results obtained under SO 1 continue in the new ISP for 2004-2009. The follow-on SO 696-005 is building on experience over the last seven years particularly in local capacity building for citizen's groups and CSOs, national parliamentary dialogue with citizens and support for the difficult process of adjudicating the case backlog from the genocide which is still estimated at more than 100,000.

2. Significant changes in the Results Framework over the life of the SO

This SO originally approved in 1997 as part of a Transition Action Plan ISP was extended twice and underwent minor adjustments. Original IRs were: 1.1 Improved administration of justice; 1.2 Increased security; and 1.3 Improved governance accountability and transparency. In 1999 USAID/Rwanda received approval to extend the ISP until 2001 based on the rationale that the original plan remained valid to guide mission strategy and included enough flexibility to respond to changing needs and potential crises in Rwanda. It was judged that progress on SOs was on track and could use additional time to reach intended results. In 2000 it was decided that since progress had been uneven due to lack of stability in the region and within parts of the country, the strategic objectives would benefit from more time to achieve their results. The ISP was therefore extended again to 2004. The major IRs in the SO were recast in 2000 and an additional one was added. The IRs became: 1.1 Justice rendered more effectively; 1.2 Increased security of persons and property; 1.3 Increased accountability at all levels of government; and the new 1.4 Civil society strengthened.

3. Major implementing partners

SO 1 used a significant number of contractors, non-profits and local organizations to implement its work over the life of the SO. At least 28 major partners are documented including the GOR, U.S. Department of Justice, private firms, NGOs, PVOs, and universities both U.S. and international. In its next phase, the DG program will be reducing this number of partners through consolidated implementation instruments to reduce management burden for USAID. During SO 1, a multiplicity of partners were needed to take advantage of opportunities and expertise needed for each of the results. Partners with more than \$500,000 in commitments to implement the SO are:

Management Sciences for Development, Inc for technical assistance, training and commodity support.

State University of New York (SUNY) for parliamentary capacity building.

Chemonics International for sensitization campaigns on Gacaca role and process.

U.S. Department of Justice for prosecutorial assistance and training.

Ronco Consulting Corporation for demining.

International Rescue Committee for local governance, community development and decentralization.

Africare for local governance strengthening.

Johns Hopkins University for information campaigns for the Ministry of Justice on the Gacaca role and process.

University of Maryland for developing the Computer Science Department's capacity, distance learning education and conflict management research.

Internews for video and radio coverage of ICTR proceedings, local newsreels and newspaper articles on genocide justice proceedings.

CARE International for civil society strengthening.

Academy for Educational Development for ICT connectivity and community access. Distance learning for teachers.

World Links for primary education computerization and training

Avocats sans Frontieres (Belgium) for training the judiciary and the traditional mediation judges.

Universite du Quebec for providing English speaking law instructors to the Faculty of Law.

Genocide Survivors Fund for schools fees for children orphaned in the genocide.

Government of Rwanda for support to the Ministry of Justice for special needs; Radio Rwanda and Rwanda television (both GOR owned and operated) for technical equipment to permit call-in shows; reporting on the International Criminal Tribunal for Rwanda in local language; limited assistance to the national police training new recruits and managers and investigation techniques; and election and balloting assistance and support.

4. Overall impact of the SO and summary of major activities

In addition to the major accomplishments listed in section 1, USAID can document some important outcomes through its Annual reports and Results Reports for the period 1997-2004.

Justice rendered more effectively. Progress in this critical area was marked by advances and setbacks. For example, the GOR temporarily stopped the Gacaca process from proceeding to the trial phase in 2003, halted non-governmental organizations' (NGOs) civic education activities during the elections, and delayed the issuance of private radio licenses.

Over the life of the SO, USAID supported numerous specific training activities for the judiciary including training Gacaca judges and providing English language instructors to the Faculty of Law. SO 1 greatly increased the number of Anglophone lawyers available in Rwanda to 177 in all. USAID provided extensive ethics training to more than 100 of these officials and also provided nearly \$800,000 USD of material support to the Gacaca jurisdictions in the form of vehicles, computers and other equipment,

office furniture and supplies. These vehicles and equipment are critical to the effective functioning of the Gacaca courts. Technical assistance in case load preparation by personnel for the U.S. Department of Justice (DOJ) helped the Ministry of Justice with its heavy burden of back cases. USAID supported DOJ assistance in the preparation of 2,133 category one offence cases for the Ministry.

USAID supported media coverage of proceedings from the International Criminal Tribunal for Rwanda (ICTR) in Arusha, Tanzania including journalist attendance and the preparation of newsreels and television coverage for dissemination in Rwanda.

Rwanda's justice sector encountered numerous challenges over the recent past as it has struggled to develop a reform strategy. Both the formal and traditional (Gacaca) justice sectors need financial and human resources. Although the data gathering phases of the process continue the trial phase continues to be postponed. The Supreme Court's Department of Gacaca Jurisdictions has strived to manage the data generated by this process. USAID-funded database software was completed and implemented as a necessary case management tool. This central tool is permitting the judiciary to track more efficiently all allegations brought against the alleged perpetrators and eventually court proceedings.

Many achievements were linked to progress with information and communication technology (ICT). The Ministry of Justice launched its nationwide computer network called COM SYS-a state-of-the-art wide-area network linking 18 sites including the central Ministry and Attorney General with provincial prosecutor offices and the court system becoming the first national GOR network on which other Ministries could build their computer networks. USAID funded the development of database software for the Supreme Court's Department of Gacaca to allow the judiciary to efficiently track allegations and court proceedings.

Increased security of persons and property. During the early years of this SO, training for police officers and demining were critical activities. In 1999, 325 police officers were trained and 50% of the country achieved mine free status. In 2000, 100 officers were trained in Tanzania. USAID voiced concern about the lack of women police officers and supported the training of 180 additional new recruits. The national demining office continued operations after USAID funding ceased to reach its national objectives. A mine awareness program continued to assure public safety. Deaths from mines declined from 108 in 1995 to nine in 1999. In 2000, it was decided that the results of this IR had been largely achieved and that it would be phased out.

Increased accountability at all levels of government. Training of all district accountants under the fiscal decentralization activity was completed and the new accounting system is now being used to manage GOR funds that are flowing to district governments through the Common Development Fund to finance community development projects. Parliamentarians continued to benefit from technical assistance and training on legislative drafting, budget analysis, and fiscal decentralization.

In 2001, USAID supported the first ever district wide elections which had a 96% turnout and resulted in 26% women elected to local office. Without USAID support these elections could not have taken place.

In September 2003, Rwandans elected a new bicameral legislature, of which 48.5% of the members are women. This new bicameral structure necessitated numerous regulatory, structural and staffing changes which USAID technical advisors were able to anticipate and facilitate. The USAID-funded contractor assisted legislators in the drafting of internal rules and regulations legislation, organized a study tour to the Ugandan Parliament, installed an internet café in the Parliament central library and trained 96 legislators and staff in the use of the Internet as a research tool. Ninety percent of legislators now have e-mail addresses. Citizen access to the legislature is increasing through participation in open committee hearings.

GOR initiatives to increase rule of law and government accountability met with some success. Gacaca, Rwanda's experimental adjudication process adapted from traditional conflict-resolution methods and designed to try the persons accused of 1994 genocide-related charges, expanded from 12 sites to 106 sites nation-wide. A massive judicial reform bill was developed, and passed in 2004. It restructured

Rwanda's Ministry of Justice, the Attorney General's office, the Supreme Court and the Department of Gacaca Jurisdictions. Legal systems will now undergo a transformation from civil law to primarily common law. In the area of decentralization, the central government arm responsible for disbursing funds to local government, the Common Development Fund, was established and began disbursing funds to all districts nation-wide.

In collaboration with the Ministry of Local Government and Social Affairs, USAID's fiscal decentralization activity facilitated the development and dissemination of a new nation-wide accounting system, training 98% of the nation's district accountants in several intensive sessions throughout the year. Of those trained, 75% are using the new system to submit regular reports to the central government. The Auditor General lauded the success of this new system and other donors have moved to support the initiative by providing additional funding and complementary activities. Additionally, the International Monetary Fund (IMF) enshrined the district accounting system and chart of accounts in the proposed central government accounting system during its mission to Rwanda in September 2003. As decentralization takes root in the districts, this financial management system will be used by district officials to plan, manage and account for all financial resources including those that flow through the Common Development Fund.

USAID's implementing agency, the International Rescue Committee, successfully strengthened the capacity of 11 district government boards in Kibungo Province to develop, implement and monitor 32 community development projects, valued at approximately one million USD, including water supply and sanitization, school construction and rehabilitation, and market rehabilitation. In addition, the district tender boards of each target district government were able to transparently and efficiently manage community development and social infrastructure projects. At the same time, the GOR provided \$600,000 USD through the Common Development Fund to finance an additional 20 projects.

The long-awaited Kibungo community radio station began broadcasting in 2004. A 33-member tripartite association (local government, private sector, and civil society) was established to manage the new private radio station. USAID has assurances from the local community that radio station will be fully sustainable.

Civil society strengthened. CARE International, USAID's grantee working to develop the capacity of civil society organizations (CSO), faced many challenges, not only because the CSOs lacked financial and human resources but also due to delays imposed by the GOR during the elections. Despite these obstacles, the grantee provided institutional capacity building training to four large CSO umbrella groups and subsequently worked with these groups to develop sustainable financial and organizational structures. Within the civic education component, the project assisted CSOs to develop a civic education manual, with related posters, pamphlets and field guides on Rwandan citizens' rights and responsibilities. The delay in project implementation due to the elections gave CARE staff an opportunity to reassess the project design and propose modifications that shifted capacity building activities down to grassroots NGOs (rather than central level collectives) and targeted geographic areas where CARE was implementing health and micro-finance activities and good working relations with local authorities. This modification should result in more rapid and effective project implementation. If this new approach is successful, the lessons learned will be shared with other donors that support CSOs.

Education supports democratic advances. USAID's Democracy and Governance program made great strides to support primary and tertiary education. At the National University of Rwanda, USAID facilitated improved dissertation research techniques; advanced the computer science department curriculum, helped to design a computer science master's degree program; and improved distance learning courses. Additionally, USAID assisted private sector organizations to establish two multi-purpose Community Internet Centers in semi-rural areas. Through these activities, USAID contributed to the building of long-term capacity, to universal access to computers and to the Internet, and to the empowerment of the private sector; and ultimately to the global economic and social development of Rwanda.

The financial burden placed upon Rwanda's Genocide Survivor's Fund (GSF)--a governmental health care, education and lodging compensation fund for survivors of the 1994 civil war--remains tremendous. In FY 2003, for the fourth year, USAID financed scholarships for 7,499 secondary school students nation-

wide. These scholarships account for a total of 19.7% of all GSF recipients of secondary school age. This assistance, albeit on a smaller scale, continues throughout the 2003-2004 school year. Although 5% of the national budget is supposed to be contributed to the fund in addition to mandatory citizen contributions, these are not enforced and the fund struggles to support survivors' basic needs.

5. Prospects for long-term sustainability

USAID's contributions to the democracy and governance sector have been cumulative and sustainable. Achievements from SO 1 directly informed the creation of the follow-on SO 5: Improved governance through increased citizen participation.

The justice sector has labored through the last 10 years to handle the genocide case load. USAID has supported this work with critical physical inputs such as information technology for the Gacaca courts and critical training for its judges. This process has been slow and difficult for Rwanda. USAID continues to support the process which will take years to complete. The inputs are not heavy recurrent cost burdens and are likely to be readily maintained by the GOR. The decentralization work in particular will be supported directly by the CSOs engaged in the dialogue. The demonstration effect of increased town meetings and increased influence on local resource allocation is sustainable by the CSOs without much donor assistance, if any.

The GSF still has plenty of orphans to train. As USG funds have reduced, USAID has sought interested international donors to continue this important human resource development work for the next generation of Rwandans.

Using a multitude of institutional intervention points for the democracy governance work especially in the earlier transition years, led to an active engagement with a suitable array of institutions who are now directly and continuously involved in the sector. While the management cost for this kind of strategy are high, the long term sustainability benefits of having an adequate array of partners to produce results has paid off.

6. Lessons learned for application to follow-on programs or other SOs

In preparing the new ISP, USAID engaged in a series of important assessments to inform the choice of SO and program components. The democracy and governance assessment identified these factors as the most critical constraints on Rwanda's full realization of participatory governance in the post-transition period: 1) the continued centralization of political decision-making and administrative and financial powers; 2) the tendency to limit discourse and the expression of competing ideas; 3) the general lack of civic knowledge and voluntary political participation; 4) the weakness of civil society organizations at all administrative levels; 5) the weakness of government systems to manage and deliver services; 6) the inability of the government and civil society organizations to effectively forge partnerships at the national or local levels; 7) a general lack of confidence in the judicial sector to render justice; and 8) a perception that the culture of impunity has not been completely eradicated since Rwanda's 1994 civil war and genocide.

The capacity of local government structures to form effective and responsive partnerships with civil society is severely limited. There are few mechanisms in place to engage citizens and civil society in local government processes. Administrative and financial systems are generally tenuous, and no uniform financial management system is in place, hindering transparent accounting of financial flows from national to local levels. The local level capacity for setting priorities and allocating resources across services and project preparation is limited, which hinders the promotion of transparency and accountability. In short, the potentially significant contribution of local governments to strengthen democracy, improve service delivery, and support economic development is not being fulfilled, and civic engagement in decision-making is far from optimal.

Civil society organizations (CSOs) are just beginning to understand their role in society at the national level. Although civil society has made some gains in service provision and advocacy, CSOs (apart from

farmers' associations and cooperatives) are almost non-existent at the district level and below. CSOs face challenges due to lack of human and financial resources, as well as basic communication and coordination. Umbrella organizations help to coordinate and support groups in several areas of civil society, including human rights, women's promotion, genocide survivors, and rural development, but these remain limited in scope and strength of participation at the local level, due largely to their own capacity limitations, lack of supportive government systems that enable participation and understanding, and ongoing cultural tendencies not conducive to independent civic action. Citizens' confidence in government will increase as they see improved responsiveness and access to services and political processes, and this will in turn enhance the capacity of civil society to engage in national and local debates.

Although national decentralization policy implementation is already underway, local government institutions are weak and will need sustained support if they are to succeed in their mandate to provide effective delivery of services to the community. People at the grassroots level are waiting to see the impact of local empowerment in their lives. Citizens' involvement is essential to make this new approach work, but the capacity of civil society is lacking.

The ability of the judicial system to handle the genocide case load, institute judicial reform passed in 2004 and break the culture of impunity remains a primary challenge to public life and citizen confidence in Rwanda. It is likely that USAID support for this critical part of democracy and governance will be needed for some time to come.

7. Summary of performance indicators used and assessment of usefulness

In the extension period from 2001-2004, the SO used indicators such as Freedom House rule of law ratings, number of justice personnel linked by computer systems, numbers of survivors receiving scholarships through the Genocide Survivors Fund, percentage of districts implementing local governance improvements, number of districts implementing decentralized financial system management. Earlier indicators in the strategy period had focused on numbers of detainees in the judicial system, numbers of cases processed annually, numbers of lawyers trained, percentage of citizens that perceive justice is being rendered by Gacaca, numbers of orphans assisted, draft legislation produced, community contributions to local government decisions, and perception of local government by citizens. Demining progress and numbers of police trained were also important measures. In more recent years, capacity building indicators related to policies, systems and professional skills indicated progress.

8. List of evaluations and special studies

The development of the follow-on SO was informed by numerous studies and analyses including the Civil Society Assessment, April 2001; Decentralization Assessment, November 2002; Conflict Vulnerability Assessment, April 2002 - January 2003; Rwanda Democracy and Governance Assessment, December 2002; and Justice Sector Assessment, December 2002. All are summarized quite completely in the USAID/Rwanda Integrated Strategic Plan 2004-2009 Vol 1, January 2004. Specifically, the SO has completed a number of major reports and evaluations listed below.

--Associates in Rural Development (ARD), Inc, USAID/Rwanda Civil Society in Rwanda: Assessment and Options, 2001

--ARD, Fiscal Decentralization Project, Final Status Report, 2004

--ARD, State University of New York (SUNY), Rwanda National Assembly Support Project, final Report, 2003

--Education for Development and Democracy Initiative (EDDI), Business as unusual, A Summative Evaluation of the Education and Democracy Initiative for Africa, 2004

-- Johns Hopkins University, Evaluation of the Gacaca Promotional Campaign in Rwanda, Report of Main Findings, 2000

--Oldham, Linda, Burnet, Jennie, Murebwayire, Scholas, Evaluation of Africare's Program in 30 Communes in Rwanda, 2001

--Seruka, Association pour la Promotion et la Contribution Active de la Femme Rwandaise au Developpement, Rapport final d'activites, 2004

--Strategies 2000 SARL, Local Governance Initiatives Project Evaluation, 2002

--Strategies 2000 SARL, Rwanda Decentralization Assessment, 2002

--Universite du Quebec a Montreal, English-Speaking Law Instructors and Reinforcement of the Faculty of Law Report, 2003

9. List of instrument closeout reports

Due to a backlog in the USAID Regional Acquisitions and Assistance Office in REDSO, none of the instruments used in the implementation of this SO have completed closeout reports. The backlog exists from 1999 onward. Without substantial staffing increases in the RAAO, this is unlikely to be resolved soon. This situation has been brought to REDSO's attention.

11. Names and contacts of individuals directly involved in SO

| | |
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696-002: Increased use of sustainable health services in target areas

Performance Goal: Improved global health, including child, maternal, and reproductive health, and the reduction of abortion and disease, especially HIV/AIDS, malaria, and tuberculosis

SO 04 Performance Overview:

04 SO Performance:

Strategic & Special Objective Closeout Report: Approval Date: September 24, 2004

| | |
|--------------------------|-------------------------------------------------------------------------------------|
| Period: | 1997- 2005 |
| Total Estimated Cost: | \$54,870,000 |
| Funds Obligated: | \$42,660,000 CSH, \$4,098,000 DA, \$8,112,000DFA |
| Field Support: | \$22,813,900 |
| Total Obligated: | \$54,870,000 |
| Other partner resources: | International Rescue Committee \$150,000, CONCERN \$225,000, World relief \$225,000 |

1. Background

As a key partner in the health sector, USAID's support has evolved in response to national needs, from a focus on emergency humanitarian relief immediately following the genocide to sustainable health sector development under the subsequent strategic plan. This SO reflects the history of those changes and the development or rebuilding of the sector since 1997. With an influx of HIV/AIDS resources USAID has become the principal donor supporting a broad spectrum of HIV/AIDS health sector activities in prevention (including Voluntary Counseling and Testing (VCT), Prevention of Mother-to-Child Transmission (PMTCT), preventive therapy for opportunistic infections (OI), and peer education for youth, faith-based organizations), as well as clinical care (anti-retroviral program at two sites.)

2. Significant changes in the Results Framework over the life of the SO

This SO approved in 1997 as part of a Transition Action Plan ISP was extended twice. It was originally planned as part of a combined SO with economic growth but the mission was requested to separate the health program into its own SO at the ISP review. Its original SO in the ISP was: Increased use of health and social services and changed behavior related to STI/HIV, maternal child health by building service capacity in target areas. It was shortened in practice to Increased use of sustainable health services in target areas. Original IRs were: IR 2.1: Increased availability of decentralized, quality PHC and STI/HIV services in target areas; IR 2.2: Improved knowledge and perceptions related to reproductive health, emphasizing STI/HIV, in target areas; IR 2.3: Enhanced sustainability of public health care (PHC) services through improved financial accountability and improved health care financing; IR 2.4: Increased capacity to provide basic social sector support.

In 1999 USAID/ Rwanda received approval to extend the ISP until 2001 based on the rationale that the original plan remained valid to guide mission strategy and included enough flexibility to respond to changing needs and potential crises in Rwanda. It was judged that progress on SOs was on track and could use additional time to reach intended results. In 2000 it was decided that since progress had been uneven due to lack of stability in the region and within parts of the country, the strategic objectives would benefit from more time to achieve their results. The ISP was therefore extended again to 2004. IRs for SO 2 remained the same at both extensions.

3. Major implementing partners

SO 2 used a range of contractors/grantees during the life of the program. At least 22 major contracts and grants were used. Only those providing at least \$500,000 in service are listed. The primary activities associated with each one are listed below.

International Rescue Committee - The Kibilizi Health District Child Survival Program implemented by IRC seeks to decrease the mortality and morbidity of mothers and children under five through interventions in

HIV/AIDS, malaria, maternal newborn health (MNH), and nutrition.

Tulane University provided training and research opportunities for Rwandan health professional pursuing advanced degrees at the Kigali Institute of Health.

World Relief Corporation - provided assistance to the Kibogora Health District Child Survival Program seeks to decrease the mortality and morbidity of mothers and children under five through interventions in Malaria, Nutrition, Diarrhea and Hygiene and Maternal and New born care.

Care International - HIV/AIDS community care and voluntary counseling and referral to testing.

Johns Hopkins University - HIV/AIDS support and technical assistance

Family Health International - HIV/AIDS provided mother to child transmission prevention services, voluntary counseling and testing for HIV/AIDS, training on abstinence and faithfulness to communities including marital counseling, youth education programs, HIV clinical care, home based care and support, care for orphans and vulnerable children and anti-retroviral therapy.

University of North Carolina - HIV/AIDS evaluation services

Population Services International -

The goal of PSI/AIDSMARK activities is to reduce the incidence of malaria-related morbidity and mortality among children under five and pregnant women in Rwanda. Since FY 2003, USAID has been providing support to PSI, in partnership with PRIME II (now IntraHealth), to support and strengthen primary-level health care service delivery by enhancing the quality of prenatal consultations (PNC) and increasing community-based financing organizations (mutuelles) membership

Abt Associates - provided technical assistance on the development of National Health Accounts (This is co-funded with REDSO/Nairobi)

Macro International for demographic health survey research - Developed demographic health program and support to Rwandan Office of Population (ONAPO) and provided training in demographics at Kigali Institute of Science and Technology.

4. Overall impact of the SO and summary of major activities

Increased availability of decentralized, quality public health care (PHC) and sexually-transmitted infections(STI) /HIV services in target areas.

USAID successfully assisted Rwanda in advancing its health policy of decentralization, identifying the health district as the cornerstone of the health system. However, poverty and related lack of financial resources along with a dearth of qualified staff at the district levels signaled to USAID a need for new financing approaches, post-graduate public health training and community mobilization to meet Government of Rwanda (GOR) goals. With Education for Democracy and Development Initiative (EDDI) resources, the Mission helped establish a Master's Degree program at the School of Public Health at the National University of Rwanda. USAID helped create, equip and staff the Rwanda training Center for Health Communications to produce and disseminate health messages nationwide.

USAID also expanded its health portfolio to address other Poverty Reduction Strategy health priorities. In response to the high maternal mortality rate, USAID initiated interventions to improve the quality of reproductive health care .Malaria is currently the leading cause of mortality and morbidity in Rwanda and the reason for 50% of consultation in health centers. USAID worked to develop the Roll Back Malaria strategy and currently 39 districts are implementing the action plan. In addition, with USAID support insecticide treated nets (ITN) coverage increased from 4% to 15% nationwide. In USAID supported sites coverage for ITNs reached almost 60% which is the Abuja target for Coverage. Because of this ITN intervention there was a reduction of the prevalence of high fever among children aged less than 5 years

showing a dramatic drop, from 75% to 29%. Consequently, in this geographical area there was a reduction of 64% of under-5 mortality. However, due to a severe shortage of ITNs nationally, Rwanda as a whole will be unlikely to reach the Abuja targets. USAID works to incorporate malaria prevention components into prenatal care and mutuelle outreach activities, including the provision of IEC on the risk of malaria, high risk groups and the means of prevention. This is combined with the distribution of price-subsidized insecticide-treated nets and net retreatment kits to prime risk groups.

Within one of USAID's child survival programs, there have been significant increases in the proportion of children with a normal weight-for-age ratio increasing from 60% in 1998 to 82% by the end of 2003 in a geographical area that is chronically food insecure. Another USAID child survival program, focused on reducing maternal and child morbidity and mortality supported the training of 1,780 community health workers to strengthen the link between health facility staff and community health workers, leading to a 9% increase in one year for health facility usage. The proportion of women and children receiving Vitamin A rose from 59.7% to 90% coverage and women receiving at least 2 Tetanus and Typhoid immunizations during pregnancy went from 14% to 39% in USAID target areas. At the request of the GOR, USAID provided technical assistance to find ways to underwrite financing of the immunization program in Rwanda. To date, vaccine coverage rates in Rwanda have been a major success story, contributing in large measure to a reduction in infant mortality rate (IMR) and progress towards Millennium Development Goals of reduced child mortality.

Improved knowledge and perceptions related to reproductive health, emphasizing STI/HIV, in target areas

Community-based peer education models used by CARE International in the early years of the SO increased the number of health care workers available at the local level.

From supportive supervision visits at providers' facilities to assisting the MOH in a national campaign to promote family planning, USAID's wide-ranging activities in Rwanda included reproductive health community-level interventions in seven of the country's 39 health districts. USAID's family planning/reproductive health (FP/RH) interventions increased methods available nationwide and increased coverage levels of FP and RH services in the 7 targeted USAID-supported districts. As a result, more facilities are offering a full range of RH services every day. Contraceptive prevalence rates of family planning services, which were less than 1.5% in 2001 in all 7 districts, reached levels as high as 12.6% in 2004. Standards of privacy and complete information sharing were well entrenched in the service delivery practice, seventy-six health sites in 4 districts received equipment, supplies and RH reference materials (antenatal care, FP, Safe Motherhood). An Information Education Communication/ Behavior Change (IEC/BC) Communication FP training module was developed to accompany the national family planning IEC materials developed for all methods using a stakeholder process with the MOH and other key donors including UN Fund for Population Activities, German Aid (GTZ) and the World Health Organization.

Significant achievements at the national level occurred for safe motherhood with USAID funding supporting the development of national maternal health norms and standards, protocol, and guidelines. Following the completion of this national package, USAID assistance helped the Ministry of Health (MOH) develop a complete package of national safe motherhood in-service training materials including modules for the facilitator and participant. A national course carried out in pedagogical skills produced a cadre of national family planning and safe motherhood trainers. This same cadre updated their training in safe motherhood clinical skills using the national Safe Motherhood modules developed with technical assistance from USAID. Over the course of the SO, efforts in youth education on HIV prevention were particularly impressive. From 2001 to 2002, the number of youth in prevention peer education doubled to 79,000.

Enhanced sustainability of PHC services through improved financial accountability and improved health care financing

To overcome the health financing issues, the government encouraged the creation of community-managed pre-paid health insurance organizations (mutuelles) to make primary health care more accessible to underserved residents and promote community involvement in service delivery. USAID

conducted workshops on administrative and financial management for more than 1,000 people involved in the daily management of mutuelles. The number of mutuelles in the five USAID districts grew from 54 to 90 and overall membership is over 386,359. Membership increased by 135%, to more than 275,000 members, in existing mutuelles in USAID focus districts. Mutuelles have contributed to increased use of services; according to an independent evaluation, a mutuelle member is five times more likely to seek modern health care when sick than a non-member (1.6 versus 0.27 visits per year). Mutuelles also contributed to stronger financial capacity at their partner health facilities, with some generating up to 75% of total revenue for their corresponding health center. To assist in sensitizing the community about health care and financing options, USAID supported 22 community-provider partnership associations that help to increase mutuelle membership and advocate to local government for health facility improvements such as more personnel, availability of supplies and improved patient flow. This approach opened dialogue between health providers and the community they serve, helping community members define the quality health care services they need.

Increased capacity to provide basic social sector support

In the early years of the SO, USAID supported management training and needs assessments to implement national social service capacity to serve vulnerable children. Direct support to vulnerable children reunited children with their families, placed other children in foster care and found homes for others. The GOR increased oversight capacity for these services with USAID support and began to decentralize services and mobilize community networks. Funding from the Displaced Children and Orphan's fund helped build GOR capacity to coordinate community care structures for these children.

5. Prospects for long term sustainability

Under this SO, USAID focused on capacity building, health care financing and improved systems from the start. To overcome the health financing issues, the government encouraged the creation of community-managed pre-paid health insurance organizations (mutuelles) to make primary health care more accessible to underserved residents and promote community involvement in service delivery. This model continues under the new health strategy and is expected to increase use of health facilities over time.

GOR and donor efforts since 1994 have not yet succeeded in rebuilding capacities at the peripheral levels of service delivery. Health activities, especially more complex services such as clinical management of HIV/AIDS, can only be successfully accomplished by reinforcing the decentralized health care system.

Civil society organizations (e.g. women's groups, agricultural cooperatives, associations of People Living with HIV/AIDS (PLWHA), faith-based organizations) are important partners for implementing effective health activities but, like many grassroots Rwandan groups, they lack program planning and management skills. Therefore, significant effort and time are required to ensure their sustainable participation in health promotion and disease prevention as well as care and support.

Overall the availability of enough health staff nationally to both fight the HIV/AIDS pandemic and implement improved health care to Rwandans is severely stressed. The GOR has taken strict measures to assure that donor projects do not hire away all available trained health care workers in the short term and make the national lack of trained professionals even worse.

6. Lessons learned for application to follow-on programs or other SOs

Through USAID experience implementing health programs under this SO, several valuable lessons have been learned. Although successful health interventions have been implemented in Rwanda over the past nine years, the overall health status of the population remains poor.

Major constraints

Maternal health: The maternal mortality rate (1,071 per 100,000 live births) is one of the highest in Africa. While most pregnant women (92%) receive ante-natal care (ANC) services from a trained health provider and almost 80% report having two or more antenatal visits, two-thirds of women delay their first clinic visit until the sixth month of pregnancy or later. Moreover, 73% of women deliver at home. Of all pregnant

women, only 31% have the assistance of a trained health provider at delivery. The vast majority of women (71%) receive no post-natal care within the month following childbirth.

Family planning: Another factor contributing to maternal mortality is the high total fertility rate (5.8 children) and a large unmet need for family planning/birth spacing services. Although 94% of all women are able to name at least one modern method of contraception, the percentage of women in union who have ever used a modern family planning method has declined from 25% in 1992 to 18% in 2000. Despite the fact that more than two-thirds of women in union age 15-29 years want to wait two years or more to have their next child, only 4.1% of married women in this age group are currently using modern family planning methods.

Child health: The infant mortality rate also remains high at 107 deaths per 1,000 live births. Approximately one of every five Rwandan children born will not live to see his/her fifth birthday. Clearly, several key child survival practices need strengthening. For example, whereas 85% of children have received their third dose of DPT by one year of age, only 70% of children in this age group have been fully vaccinated and 69% have received vitamin A supplementation. Approximately 97% of children are breastfed and 71% are still exclusively breastfeeding at 4-5 months of age. Most striking are the rates of moderate and severe growth retardation (42.6% and 19.1% respectively), and weight insufficiency (24.3% and 5.2% respectively) which clearly compromise growth and development of Rwanda's younger generation. Moreover, sick children often do not receive proper care. For example, only 15% of children with symptoms of acute respiratory infection were taken to clinics for evaluation, and only 30% of children with diarrhea were given additional fluids for rehydration.

Malaria continues to be a major cause of morbidity and mortality in Rwanda. According to Ministry of Health (MOH) estimates, one in ten adults experienced an episode of malaria and one of every three deaths among children under age 5 was due to malaria. Malaria was the leading cause of clinic visits and accounted for the vast majority of deaths at District Hospitals that year. Unfortunately, malaria prevention practices are not widespread. Only 6.6% of Rwanda households have a bednet and, among those households with children under five, only 68% report that all the children sleep under nets. Treatment for presumed malaria is provided very infrequently even to the most vulnerable populations. Among children under five with fever, for example, only 9.2% received anti-malarial medication. These data point to the need for priority interventions addressed towards malaria, nutrition and family planning/birth spacing.

A number of factors impact the spread of HIV in Rwanda. Data from the Demographic and Health Survey (DHS 2000) and the Youth Behavior Surveillance Survey (BSS) confirm that the majority of Rwandans have heard of HIV/AIDS, although awareness rates are generally higher among adults compared with youth. Sexual debut among Rwandan youth is relatively late (21 years) compared with other sub-Saharan countries. However, condom use remains very low in the general population, with only 0.4% of women and 1.8% of men having reported using a condom during their most recent sexual relation. Access to condoms remains a barrier for some population groups: only 27.1% of out-of-school girls and 35% of adult women know where to obtain a condom. Women's limited decision-making authority and traditional gender roles within the Rwandan cultural context also contribute to an increased risk of HIV/AIDS transmission. Gender-based violence such as rape, domestic violence, child sexual abuse, and sexual harassment in schools, have been highlighted by top-level GOR leaders, including the President of Rwanda.

Capacity remains a challenge

Health activities cannot be effectively implemented as vertical programs. Because the health care system has scarce resources and limited capacity to deliver quality health care services, a significant amount of effort must be invested to reinforce overall system infrastructure and capacity to provide integrated services.

Health communication and sensitization activities in Rwanda have not yet attained maximum impact primarily because effective communication channels have not been used. Significant emphasis needs to be placed on interpersonal communication through peers and formal leadership structures at all levels.

In-service training activities developed to increase technical knowledge and skills in areas including family planning, malaria, child health and HIV/AIDS prevention and treatment, are needed to address the health workers skills deficits. By including training and focusing on interventions such as infection prevention and quality assurance, the health program can foster an improved work environment that will benefit not only health workers but also their clients who will receive better health services.

7. Summary of performance indicators used and assessment of their usefulness

This SO's indicators have changed with the program emphasis over time. In the early years, the SO worked on basic capacity-building and used indicators focusing on numbers of people trained for a range of service delivery. In the extension period starting in 2000, SO measurement looked at numbers of services available, and began measuring knowledge of the population on a series of health information topics (contraception, HIV transmission.) It also measured the percentage of locally generated resources for health services found at district levels. The health sector is now able to measure direct service impact in the future building on the work of SO2 during the period described here.

8. List of evaluations and special studies

An illustrative list of evaluations and major reports for SO 2.

Advance Africa, Ministere de la Sante du Rwanda, PRIME II Rwanda, Report of the Qualitative Evaluation of Family Planning in Rwanda, 2002

CDC/DOD/USAID, Rwanda PEPFAR Progress Report, September 2004

Ettling, Mary, Report and recommendations for USAID/Rwanda: Malaria Program. 2002

IntraHealth International, PRIME II in Rwanda: Helping improve quality, accessibility and use of FP/RH services for clients and their communities, 2004

Kittle, Bonnie, Mid term Evaluation Report, Kibungo Child Survival Project, IRC, 2003

IRC Response to the Mid Term Evaluation of the Kibungo Child Survival Project, 2004

Muramutsa, Felix, Mid term Assessment of the Standard Days Method Introduction in Rwanda, 2004

Perry, Henry, et.al, Rwanda Illumination (Umucyo) Child Survival Project, Midterm Evaluation, World Relief, 2004

Population Services International (PSI)-Rwanda, Analysis of DHS 2000 Data (unpublished report). 2002.

Population Services International (PSI)-Rwanda, Study of Health Animators Nationwide, 2003.

Rubardt, Marcie, et. al, Mid term evaluation USAID-Concern Rwanda Kibilizi District Health Partnership Child Survival Program, 2004

9. List of instrument closeout reports

Due to a backlog in the USAID Regional Contracting Center in REDSO, none of the instruments used in the implementation of this SO have completed closeout reports. The backlog exists from 1999 onward. Without substantial staffing increases in the RCO, this is unlikely to be resolved soon. This situation has been brought to REDSO's attention.

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696-003: Increased ability of rural families in targeted communities to improve household food security

Performance Goal: Institutions, laws, and policies foster private sector led growth, macroeconomic stability, and poverty reduction

SO 04 Performance Overview:

04 SO Performance:

Strategic & Special Objective Closeout Report: Approval date: September 24, 1997

| | |
|-----------------------|-----------------------------------------------|
| Period: | 1997-2005 |
| Total Estimated Cost: | \$34,797,000 |
| Funds obligated: | \$500,000 CSH, \$33,403,000 DA, \$394,000 DFA |
| Field support: | \$0 |
| Total obligated: | \$34,797,000 |

1. Background

USAID has been assisting Rwanda to increase its rural productivity and to address agricultural and food security challenges using innovative and sustainable development approaches under this SO. What began as a set of emergency relief and food distribution activities evolved into transition programs that use monetized food commodities and food-for-work (FFW) activities to fund long-term development objectives? Through its food assistance programming, USAID has played an important role in revitalizing agriculture and providing a safety net for vulnerable populations. Food aid supported farmers as they terraced their fields, multiplied seeds, re-started pyrethrum production, introduced and improved livestock, and revitalized fishing activities. In this context, and consistent with the Food for Peace sectoral orientation, food assistance in Rwanda has supported targeted gains in agricultural productivity. These achievements formed an important base for future USAID-supported activities. Over time this food security focused SO experienced the most change in emphasis and activity programming under the previous strategy.

In recent years, agribusiness became an important program component of the USAID economic growth program. Rural economic development has resulted in increased production and yields. If Rwanda is to reach its development goals, the rural sector must also offer off-farm employment opportunities. USAID has also helped to revive the export sector by focusing on competitive products. Results have included exporting pyrethrum extract to the U.S., passion fruit to Europe, and specialty coffee to the U.S. and the U.K.

USAID's program to increase the ability of rural families in targeted communities to improve household food security achieved graduated, expanded impact and coverage. A focus on agriculture-based, value-added product transformation and market development combined with complimentary inputs in rural finance and policy development translated into increased incomes and improved livelihoods in the targeted communities. The gains made under this SO are being continued in the new economic growth SO for the new strategy period.

2. Significant changes in the Results Framework over the life of the SO

This SO approved in 1997 as part of a Transition Action Plan ISP was extended twice. It was originally planned as part of a combined SO with health but the mission was requested to separate the health program into its own SO at the first ISP review. In 1998, the original IRs: 3.1 Increased GOR capacity to plan and implement sound food security practices; and 3.2 Increased household food security in target communities were replaced by IR.31.1 Increased GOR capacity in agricultural/ rural development policy analysis, formulation and implementation; IR 3.2. Create and expand internal production/marketing chains that promote broad based economic growth; and 3.3 Improve the ability of agricultural institutions to develop and disseminate technologies that result in creased production and profitability. At the time of the extension of the ISP in 2001 to continue until 2004, it was decided to focus most resources on IR 3.1. In 2002, IRs changed to 3.1 Increased ability of farmers to produce and market targeted crops; 3.2

Expanded agribusinesses; and 3.3 Improved policy framework for food security.

3. Major implementing partners

SO 3 used 14 major partners in implementing the SO. Their activities are described briefly below:

Abt Associates - Technical assistance in agriculture policy to key ministries.

ACDI/VOCA - P.L. 480 Food for Peace monetization technical assistance to agribusinesses, cooperatives and business associates.

American Council on Education -Technical assistance and training for farmers in productivity improvements.

Chemonics International - Business development technical assistance and export promotion

Consultant Group on International Agricultural Research - Development and dissemination of improved agricultural production technologies to farmers and agribusinesses.

Heifer Project International - Livestock production development and sales with target communities.

International Executive Service Corps- Technical assistance to agribusinesses and public sector business promoters to increase marketing capacity and sales.

International Rescue Committee - Transition activities supported by the Office of Transition Initiatives.

Michigan State University/Texas A&M - Technical assistance and training for farmers in productivity improvements. Institutional development for agricultural research institutions.

Ronco Consulting Corporation - P.L. 480 Title II monetization for agribusiness development.

The Mitchel Group -Technical assistance and training to local organizations to increase farm productivity, product marketing, incomes and association building.

World Council of Credit Unions -Technical assistance for rural finance providers.

World Relief International - Assistance to micro-finance institutions and village banking structures.

World Vision International - P.L. 480, Title II technical assistance and training in soil conservation and rural infrastructure.

4. Overall impact of the SO and summary of major activities

Early years of this SO focused heavily on food security. In 1998, food assistance from WFP met 30% of needs for 600,000 people displaced by conflict in the northwest of Rwanda. PVO partners distributed seed and tools to 60,000 displaced families. The Women in Transition (WIT) program assisted 760 women's associations in 1998 representing 18,000 members and 90,000 immediate family members. Activities supported return to their homes after exile and re-establishing household food security. By 2000, dependence on external food aid had reduced and the emphasis shifted to rebuilding agricultural production capacity and providing a safety net for more vulnerable groups. Food Security Monetization programs showed impressive results in increasing incomes and productivity for the communities involved with USAID partner organizations.

Enhanced ability of farmers to produce and market targeted commodities: USAID enhanced the ability of farmers to raise productivity through the introduction of improved agricultural technologies. Under the Agriculture Technology and Transfer Project, USAID built capacity and increased innovations at the

National Agricultural Research Institute, establishing 10 village information centers, and disseminating improved bush bean seed and cultivation information to 10,000 households, more than double those reached the prior year. In households where bush beans were grown and consumed nutritional status is expected to improve due to increased consumption of protein. USAID achieved results in income diversification by expanding the range of production and market enterprises of producer organizations. Under the Raising Rural Incomes and Improving Livelihoods Project, the Mitchell Group and the Rwanda Women's Network supported 11 rural enterprises including cassava processing, honey production, and fisheries with material inputs and technical assistance in project administration, increasing incomes and employment in target communities. Similarly, under a food security grants program integrating Food for Peace monetization proceeds managed by ACDI/VOCA, USAID diversified support for agribusiness enterprises in the sub-sectors of fisheries, chili pepper, wheat and honey. Beyond crop production, USAID partners also registered income and employment gains in the livestock sector through the distribution of 505 in-calf heifers to 352 female and 153 male beneficiaries by Heifer Project International. In the process, USAID improved income, employment, nutrition and food security for households and surrounding communities in targeted areas, that will continue increasing as offspring are passed-on and additional in-calf heifers are distributed.

Expanded agribusiness sector development: Early years of this SO focused on identifying priority commodities for marketing and developing linkages and strategies. In addition to working with agricultural producers and grower cooperatives at the grassroots level and further up the commodity chain, USAID supported the value-added efforts of agricultural processors and traders resulting in the improved quality, processing, and marketing of a competitive, strategic set of products including specialty coffee, passion fruit and pyrethrum. Due in part to USAID assistance, these enterprises reported a turn-over equivalent to US\$1,880,176 by 2003, up from an estimated US\$389,499 recorded in 2000. This notable gain in turn-over was primarily attributed to USAID's introduction of agricultural processing equipment and market development, especially in the specialty coffee sector. For example, USAID-funded partners established nine coffee processing stations in FY 2003, compared with one in FY 2002. Clients also increased the volume of products (coffee, juices, jam, fruits and pyrethrum) from 247 metric tons in FY 2000 to 1,363 metric tons in FY 2003. With respect to specialty coffee, clients increased production from nine metric tons in FY 2002 to 149 metric tons in FY2003, while the total production and processing of all USAID-supported specialty coffee enterprises increased from 49 metric tons in FY 2002 to 334 metric tons in FY 2003. For specialty coffee clients the product value increased significantly as they were paid a premium price of US\$1.26/lb in FY 2003, compared to the FY 2000 baseline world market price of roughly US\$0.60/lb. Through improvements in the production and processing of specialty coffee under the Partnership for Enhancing Agriculture in Rwanda through Linkages Project, growers of the Abahuzamugambi Cooperative realized a four-fold increase per kilo for freshly harvested coffee cherry. As a complimentary input in collaboration with the International Executive Service Corps, USAID provided short-term technical assistance to private sector firms and public sector business promoters that translated into marketing and sales for Rwandan enterprises. Through USAID support for the handicraft sector, for example, select businesses received training in product development and marketing in both Rwanda and the United States, and participated in U.S. Trade Fairs that advanced opportunities under the Africa Growth and Opportunity Act. USAID also supported development of a website for the Rwanda Coffee Board--a marketing platform for USAID-assisted enterprises.

The number of new technologies adopted increased from 12 in 2003 (6 in coffee, 4 in chili pepper, 1 in cassava and 1 in geranium) to 16 in 2004 (8 in coffee, 4 in chili, 2 in cassava, 2 in geranium). Specifically in the coffee sub-sector, new technologies adopted are related to the cupping and roasting of green coffee. In the cassava sub-sector, the newly adopted technology is the packaging of the cassava flour so that it is shelf ready for market in Europe.

In collaboration with private voluntary organizations (PVOs), USAID disseminated improved bush bean, orange-flesh sweet potatoes, maize, Irish potato seeds to 1,850 new households, in addition to 10,000 households that received bush beans seeds. Consequently, families benefited from improved nutrition though increased protein availability at the household level. Due to productivity increases, farmers had excess amounts to sell on the market. With respect to income diversification, the variety of rice disseminated helped 2,150 farmers in Butare double their incomes. Rice is in high demand in Rwanda

and the GOR hopes to increase local production to offset costly food imports

Improved capacity of rural finance providers: USAID increased the technical and institutional capacity of rural finance institutions (the country's leading credit union and select micro-finance institutions) to manage and extend credit and savings mobilization in the rural sector, achieving notable and measurable gains. Through technical assistance to the Union des Banque Populaires (UBPR, Rwanda's Credit Union) in partnership with the World Council of Credit Unions (WOCCU), USAID strengthened UBPR's capacity to effectively manage and track its savings and credit portfolio. For the 18 pilot banks that reported figures, the number of loans for housing and construction increased by 22%, while loans for agriculture rose by 1%. Nationwide, for the entire UBPR network of 149 local banks, the total net loans as a percentage of gross loan portfolio increased by 18% between December 2000 and the end of FY 2003. During the same period, the total number of members increased from 229,453 to 348,400; total savings deposits increased by nearly \$10 million; and the gross loan volume increased by \$8 million. Finally, between December 2001 and the end of FY 2003, the total delinquency ratio of the gross loan portfolio reduced by 21%, to 13.07%. These promising trends were the result of USAID support for improved accounting systems, portfolio management and tracking.

In the micro-finance sector, USAID established a follow-on to the Women in Transition (WIT) Project. The objective of this effort is to "graduate" and "scale-up" micro-finance activities among women's solidarity groups and village banking structures. Since the inception of the project in June 2003, 86% of the participating micro-finance institutions achieved operational self-sufficiency and 82.5% achieved financial self-sufficiency. Of 1,161 total clients served, 79% were women. By the end of FY 2003, total accumulated savings stood at \$4,644 and total outstanding loans amounted to \$30,167, with a delinquency ratio of 2.7 %

Improved policy framework for food security: USAID financed advisors to the Ministry of Agriculture that helped develop policies that link agriculture more closely to national development. Their work directly influenced the content of the subsequent Poverty Reduction Strategy. Emphasizing the need for agriculture led growth. USAID built on previous investments in policy analysis and development by focusing on the production and marketing of select commodities, and the areas of rural public works and trade. The USAID-financed study that proposed a rural public works program to raise agricultural productivity and increase rural employment provided the stimulus and background for the new GOR Rural Public Works Program that is receiving funding consideration from various donors including Canada. The USAID-generated analysis on free-trade informed the GOR initiative to enter the Common Market for Eastern and Southern Africa (COMESA) in 2004. In these areas, USAID policy development efforts achieved important impact at the stages of analysis and public dialogue, though actual GOR policy adoption and implementation on key elements remains a work-in-progress. With USAID support, Michigan State University completed several policy analyses and disseminated the findings to key Rwandan officials and donors. Subjects included: the effects of prime-age morbidity and mortality (as a proxy measure of HIV/AIDS) on household income, agricultural production and food security; trends in small-holder coffee production; and stimulating fertilizer demand. The analysis of the effect of HIV/AIDS proxy indicators on household food security pointed out the need for interventions that would integrate land and labor enhancing technologies, including fertilizers and increased agricultural extension. This analysis also resulted in a new USAID activity jointly developed between the Food Security and Economic Growth Team and the Health Team to develop and introduce nutritionally fortified foods for inclusion in home care delivery kits for households affected by HIV/AIDS. Analysis of the small-holder coffee sector emphasized the importance of inter-cropping coffee with beans as a way of reducing the land area required by coffee and economizing on fertilizer inputs. Fertilizer analysis charted a feasible, cost-effective strategy for increasing farmers' demand for fertilizer on responsive food crops, and presented the GOR with a menu of options for input dissemination.

Integrating P.L. 480 Title II activities: Through food-for-work, USAID partners promoted soil and water conservation practices linked to sound environmental stewardship, and supported rural infrastructure improvements that facilitated farm-to-market access. Bi-lateral P.L. 480 food assistance provided a safety net for over 7,000 orphans, elderly and street children, as well as 4,400 households affected by HIV/AIDS. Monetization served as a very efficient and effective development tool, generating private

sector development among traders and agribusiness development and food security among producer cooperatives, while recovering 108% of cost and freight (C&F) of the monetized commodity. In 2001, USAID supported the rehabilitation of 57 kilometers of farm access roads.

Food assistance activities are fully integrated in the USAID's rural economic growth program, contributing to employment, introduction of improved agricultural technologies, agri-business development, incomes and food security. Food aid partners promoted soil and water conservation through terracing steep slopes, land reclamation in the wetlands and improved agricultural practices in targeted areas through farmers' organizations. They also made infrastructure improvements that facilitated farm-to-market access. Food aid partners continued to provide a safety net for over 7,000 orphans, elderly and street children as well as 4,400 HIV/AIDS impacted households through improved nutrition and income generating activities.

Donor coordination: At the request of the GOR, the USAID/Rwanda Food Security and Economic Growth Team Leader became the Lead Donor Coordinator of the Private Sector Cluster in collaboration with the Ministry of Commerce, Industry and Tourism (MINICOM). By successfully bringing together donors, government and private sector on a regular basis to share information, identify policy and program needs and issues, and promote open dialogue, this cluster group became the model for donor coordination.

5. Prospects for long-term sustainability

Building local capacity was central to the SO. USAID has helped to revitalize Rwanda's National Agricultural Research Institute (ISAR); once a model for the region, ISAR is again playing an active national role. USAID worked to improve the systems capacity of the country's leading credit union and to develop the Rwanda Microfinance Forum (RMF) in order to support the development of micro-credit programs using accepted best practices. USAID support for improved accounting systems, portfolio management and tracking built capacity in the finance institutions. The focus on agribusinesses assures that technology and market improvements are retained in the individual firms and are not dependent on outside expertise. It is expected that the business-based results under this SO will continue as USAID supports Rwandan market integration and export promotion of targeted crops and products.

6. Lessons learned for application to follow-on programs or other SOs

Poverty reduction within the Poverty Reduction Strategy (PRS) is based on transforming the rural sector, where an estimated 90% of the population lives, including 60% below the poverty line. Rwanda's economy is heavily dependent on agriculture, which supports over 90% of the population and contributes more than 40% of the GDP. Any program to increase incomes at the household level must rely heavily on agriculture first.

Soil fertility and seed variety: Increasing access to improved technologies and productivity-increasing inputs - especially fertilizers and seed varieties - is critical to raising performance in the agricultural sector. Soil fertility has been compromised by the loss of manure from livestock destroyed during the civil war, and only minimal use of agricultural inputs (organic, chemical and lime). On average, only 7% of farm households report using purchased inputs, either due to lack of knowledge about their effective use or lack of funds. Chemical fertilizers are only used by an estimated 5% of Rwandan farmers. Availability of fertilizer is critical to increased farm productivity. The National Seed Service has been established to produce and distribute improved seeds for multiplication in the country and to inspect those that are produced by the private sector. High quality seed is also needed for productivity increases. These two inputs will remain critical to agricultural productivity increases.

Land availability: Land is regarded as the most important economic asset for the majority of Rwandans; however, with a population density rate of 329 persons/km², the availability of land is among the country's chief constraints. Approximately 11.5% of Rwandan households are without land. Of those who do own land, there is great variability in level of land ownership. About 55% of agricultural holdings are on less than 0.5 of a hectare. An estimated 21% of rural households hold between 0.5 and one hectare, and 12% of rural households hold between one and 1.5 hectares. Only 6.5% of rural households hold more

than two hectares of land. For households who own as much as one hectare, plots are generally scattered and not contiguous. With a population growth rate of 3%, the pressure on small, degraded, and fragmented plots will be exacerbated. By 2020, the present population of 8.1 million is projected to double to 16 million; this could reduce by half the already tiny plot sizes that average 0.6 hectare per household, as well as increase the number of households which hold no land at all. Continuing to increase agricultural productivity is important, but clearly there are limits on what can be expected in terms of continued increases in production and yields. Therefore, expanded and diversified economic opportunities in rural areas are imperative for maintaining the high economic growth rates Rwanda needs to develop as a nation.

Land reform: The implementation of land reform is central to the GOR's vision to transform the rural economy. The current draft of the law is unclear about implementation arrangements and there is concern that, under certain scenarios, the reform process could become a conflict flashpoint or result in an increase in internally displaced people. Although there is a need for higher agricultural productivity of both food and cash crops on plots of all sizes, there must also be opportunities for employment in off-farm enterprise if the GOR's transformation vision is to be realized. High population density rates and population growth levels render the implementation of pending GOR policy and legislation regarding land use and ownership probably the most critical determinant of whether a peaceful and productive agricultural transformation can take place.

Urbanization: Demographic shifts associated with growing urbanization highlight the need to generate and diversify economic opportunity in the rural and peri-rural sector. While the level of urbanization in Rwanda was estimated to be 6.2% in 2000, it is projected to increase to 10.5% by 2020. Underlining the importance of diversifying the economic resource base in the context of demographic patterns, the GOR's Vision 2020 aims to reduce the population working in agriculture from 90% to 50% in two decades. Expanding the base of rural livelihoods is needed to mitigate the negative implications associated with premature urban migration to the capital city of Kigali. In this context, improving the linkages from rural areas to towns and cities is a prerequisite to expanding economic opportunities for rural populations.

Malaria and HIV/AIDS, which result in high mortality and morbidity rates for children and adults, impact strongly on agricultural households as rural Rwandans seek to maintain production levels with fewer healthy people. Therefore, the development and transfer of labor-saving and productivity-enhancing technologies is an urgent need to help these families cope. The analysis of the effect of HIV/AIDS proxy indicators on household food security pointed out the need for interventions that would integrate land and labor enhancing technologies, including fertilizers and increased agricultural extension. **Gender:** Much of the agricultural sector is fueled by the productive capacity of women; however, gender discrimination is still pervasive. To achieve economic growth, therefore, gender discrimination must be addressed. Imbalances in traditional gender relations make it more difficult for women to have access and control over such assets as fertilizer, seed, pesticides, credit, and extension services. Thirty-four percent of all Rwandan households are headed by women. Of these households, 80% are headed by widows. Female-headed households are the first hit when incomes decline. On average, female-headed households have access to 30% less land than male-headed households and own 50% less livestock. Legislation to enable women to inherit land is an important step toward recognizing women's role in agricultural productivity. In addition, the Economic Growth SO interventions will carefully review gender-based approaches to ensure that they do not negatively impact on social roles and trigger conflict. **Rural infrastructure:** Improved agricultural productivity requires improved rural infrastructure. The national road system is generally in good shape compared to those of Rwanda's neighbors. But Rwanda's farm-to-market road system is extremely inadequate and needs to be upgraded in order to improve market integration. Energy infrastructure issues must also be addressed, as energy costs for Rwandan consumers are among the highest in Africa.

Human resources: The critical shortage of trained human resources continues to be a problem for Rwanda. Both the government and the private sector lost large numbers of trained people during the genocide, and rebuilding this capacity at all levels will take time. Low levels of education also result in large numbers of unskilled people and significant unemployment in rural areas. A burgeoning youth population, demobilized soldiers, and released prisoners will all be seeking employment or income-generating opportunities in the near term. Investments in the rural sector must take these needs into

account. At the same time, improvements in the education system are needed to modernize the agricultural system and develop the skills needed for alternative economic opportunities in rural areas.

Small business development: There are few mechanisms in place to support rural small business development in Rwanda. Even people with the initiative to engage in small business development hardly know where to start. Small business development in rural areas requires training as well as access to financial services and credit. Currently only 2% of all credit allocations are for agriculture. The prospect of obtaining a legal title for one's land is one way farmers may be able to finally access credit.

USAID recognizes the complimentary importance and imperative of supporting both improved food crops and cash crops. It recognizes that farmers will make rational choices that serve their food security needs based on their resources (i.e., land and capital) and requirements (i.e., income, food).

USAID funded an eight-month analysis and feasibility study aimed at identifying commodity constraints, opportunities, and strategic choices. The analysis highlighted potential local constraints including transportation, agricultural supplies, packing material, cold chain, and market considerations. The study recommended that USAID focus on a targeted number of high-potential agribusinesses and a limited set of commodities that could best serve as catalysts for growth, and on products that demonstrated a proven ability to be produced in sufficient quantity and quality.

7. Summary of performance indicators used and assessment of usefulness

During the course of the SO, measurement shifted substantially with both the maturity of the program and the changes in emphasis away from basic food security alone. Early indicators measured increases in human resources to the agriculture and economic growth sectors, in particular numbers of people trained. Distribution of food to vulnerable populations, social services for orphans and other vulnerable groups and reintegration of families into their communities were important to measure. Policy changes at the national level in food security were monitored. The access of vulnerable populations to food and income opportunities became a backbone indicator of progress. Over the course of the SO life, measurement shifted to turnover of assisted agribusinesses, access to new productive technologies, volume of products produced, loans and savings volumes, and people participating in credit unions. The introduction of impact indicators with business data in the later years of the SO helped inform the decisions on the follow-on program. Some indicators that measured creation of policy documents etc were geared for input level measurement and were less useful for impact.

8. List of evaluations and special studies

An illustrative list of evaluations and studies for this SO includes:

Chemonics International. Rwanda Environmental Threats and Opportunities Analysis, 2003

DeRosa, Dean and Vernon Roninggen. Abt Associates, Rwanda as a Free Trade Zone: An Inquiry into the Economic Impacts. 2002

Donovan, Cynthia et al. Adult Morbidity and Mortality: Effects on Rural Household Income Agricultural Production, and Food Security Strategies. September 2002 version

FSRP/MSU. Fertilizer Consumption in Rwanda: Past Trends, Future potential, and Determinant, 2001.

Gurvant, Desai. Abt Associates. Key Issues in Achieving Sustainable Rapid Growth of Fertilizer Use in Rwanda. 2002.

Hairston, James, Final Evaluation, Rwanda Credit Union Rural Finance Outreach Program, 2004

Mellor, John. Abt Associates. The Impact of Agricultural Growth on Employment in Rwanda: A Three-Sector Model. 2002.

Mellor, John. Abt Associates. Priorities for Transforming Rwandan Agriculture: Starting from the Realities. 1997.

Mellor, John. Abt Associates. Productivity Increasing Rural Public Works-An Interim Approach To Poverty Reduction in Rwanda, 2002.

Mellor, John. Progress on Poverty Reduction in Rwanda: A Brief Critical Assessment. 2003.

Mellor, John. Abt Associates. Rapid Employment Growth and Poverty Reduction: Sectoral Policies and Implementation in Rwanda, 2002.

Mule, Nthenya and Ndahimans, Emmanuel, The WIT Project: the Road Ahead, 2002

O'Sullivan, John, An evaluation of the PEARL Project, 2003

Swanson, Richard, et. al., Final Evaluation of ACDI/VOCA Rwanda P.L. 480, Title II Monetization Development Program (2000-2005), 2004

Swanson, Richard, et. al., Final Evaluation of World Vision Rwanda Title II, P.L. 480, DAP Program, 2004

The Mitchel Group, Raising Rural Incomes and Improving Livelihoods Project, Final Evaluation, 2004.

9. List of instrument closeout reports

Due to a backlog in the USAID Regional Contracting Center in REDSO, none of the instruments used in the implementation of this SO have completed closeout reports. The backlog exists from 1999 onward. Without substantial staffing increases in the RCO, this is unlikely to be resolved soon. This situation has been called to REDSO's attention.

10. Names and contacts of individuals directly involved in SO

| | |
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696-004: Multilateral debt relief trust fund

Performance Goal: Institutions, laws, and policies foster private sector led growth, macroeconomic stability, and poverty reduction

SO 04 Performance Overview:

04 SO Performance:

Strategic & Special Objective Closeout Report: In February 2000, USAID transferred to the World Bank, \$5 million in Economic Support Funds (ESF) as contribution to the World Bank Multilateral Debt Relief Trust Fund for Rwanda (MDRTF). The purpose of this obligation was to assist the Government of Rwanda (GOR) with debt service payments to the International Fund for Agricultural Development (\$8,527.45), African Development Bank (\$2,289,443.99) and the International Development Association (\$2,702,028.56), for the period February to September 30, 2000, thereby allowing scarce resources to be redirected by the GOR to the social sector.

Given the circumstances of this Special Objective (SPO) and its funding source, a results framework was not required, nor do most of the requirements of ADS 203.3.7 concerning closeout reports. This SPO represents only a single disbursement of \$5 million to the World Bank for the purposes of debt service payments.

USAID Rwanda subsequently confirmed that the \$5 million was used in accordance with the terms of the transfer, and that an equivalent amount of funds were redirected to the health, education, transport and communication sectors by the GOR.

696-005: Improved governance through increased citizen participation

Performance Goal: Measures adopted to develop transparent and accountable democratic institutions, laws, and economic and political processes and practices.

SO 04 Performance Overview: This SO promotes an effective system of governance in which the citizens of Rwanda play an engaged and active role. USAID's focus on increasing citizen participation in governance is completely aligned with and informed by the GOR's Poverty Reduction Strategy Program. This SO has four major components: support democratic local government and decentralization, strengthen national governance institutions, strengthen civil society, and improve community-based reconciliation efforts.

To summarize, one year after the presidential and parliamentary elections, progress in decentralizing services to the local level provides momentum for more autonomy across the country. The adjudication exercise to liquidate the staggering 100,000 plus case backlog of 1994 genocide crimes is making slow progress. Enormous citizen expectations ride on this process. There has been an increase in numbers of genocide witnesses being murdered before they can testify. Progress in the anticipated passage of a Land Tenure Law has both political and economic benefits to economic transformation. Decentralization is a key activity in the restructuring of public life which includes a disciplined military that does not harass the public, improved civil service performance standards, a National Unity and Reconciliation Commission and a commitment to gender equity in national policy. Community-based social and economic activities give people a reason to work together that can have as profound a long term effect as judicial action. Major USAID accomplishments in FY 2004 are listed below.

Fiscal decentralization has brought greater accountability across Rwanda and other donors are using the tools and methods developed with USAID funding to expand the work and its impact. Waste management in Kigali, the capital city, collects, separates and cleans waste for 10,500 households. 80% of this garbage is recycled.

USAID-supported Kibungo community radio began broadcasting in 2004. It is one of five new stations serving the country.

Committees of the parliament's Chamber of Deputies are now open to the public. They incorporated input from citizens on the proposed land bill. The number of formal executive oversight sessions in the Chamber of Deputies increased by 50% over a comparable period in 2003. Improved management and accountability in local CSOs helps them attract new member especially women. Regular town hall meetings gave citizens a chance to speak out.

Four distance training centers using information technology instructed 500 under-qualified secondary school teachers and trained 3,000 new secondary school teachers. This helps resolve the teacher training gap resulting from the loss of professionals in past civil wars and the 1994 genocide.

Under the Africa Education Initiative, the Ambassador's Girls' Scholarships Program (AGSP) helped 1,500 disadvantaged but academically talented girls to receive secondary education.

USAID piloted an anti-corruption activity that increased the public accountability and local level oversight preventing the mismanagement of the increased resources that will flow to local district governments under decentralization.

A national voter database operates connecting the headquarters and provincial offices. Three new community internet centers are serving more than 4,500 persons per month providing training and access to internet. 1,020 schools without electricity now have a laptop, and solar power. Parents in many school districts are contributing money to get electrical connectivity for their schools to allow internet access to spread.

551 Gacaca (traditional mediation) judges were trained in sexual and gender based violence issues and

will train 126,182 more judges. 88.5% of the 4,100 genocide survivors who participated in the campaign on sexual and gender-based violence are now ready to testify in Gacaca courts and other tribunals mandated to judge the crimes of sexual violence committed during the genocide. 2,639 genocide survivors received secondary school scholarships. 1,655 trainers using a neighbor-to-neighbor approach produced radio programs to promote healing and reconciliation.

04 SO Performance:

Improve Community-Based Reconciliation Efforts

The forms and prevalence of sexual and gender-based violence (SGBV) in Rwanda are now known. Survey findings indicate 54% of women were victims of domestic violence during the last year (2003) covered by the research. 551 Gacaca judges were trained as trainers in 2004. These trainees used SGBV training material to train others at the district, sector and cell level. The training of 43,260 Gacaca judges in SGBV at the sector level is continuing under the supervision of the National Service for the Coordination of Gacaca Courts.

In total, the training is targeting all 126,182 Gacaca judges at the cell level in lieu of a few thousand judges the program had initially planned for due to a change in the Gacaca law. Today, the Gacaca judges are better informed and more competent to serve and orient victims of sexual violence. 88.5% of the 4,100 genocide survivors who participated in the campaign on sexual and gender-based violence information are now ready to provide their testimonies to Gacaca courts and other tribunals. Prior to the sensitization campaign, only 55% of genocide survivors were willing to testify regarding crimes of sexual violence. Genocide survivors have created 106 networks, one in each local government, with two facilitators in each of the 1,545 administrative sectors of Rwanda.

With USAID support, the Genocide Survivors Fund (GSF) has provided secondary education to 26,744 students. The GSF pays school fees directly to the concerned schools for as many post-genocide orphans. The GSF has not been fully funded, but pays for as many students as possible in each of the country's 12 provinces. USAID and the GSF have jointly determined that the assistance should be used to pay schools fees and related costs for children orphaned by the genocide and who are currently in secondary school. The GSF program ends in December 2004.

USAID training for Gacaca judges enabled them to better perform their duties and render judgements on more than 100,000 people suspected of being implicated in Rwanda's 1994 genocide. Changes in the law governing Gacaca operations required a major adjustment in curriculum and increased the number of judges trained to 21,630 from 4,635 initially planned.

USAID trained 1,655 trainers using a neighbor-to-neighbor approach training methodology and produced radio programs to promote trauma healing and reconciliation in Rwanda. The trained people now have a common understanding on trauma and origins of genocide and are applying the skills acquired to their own constituents. Gacaca judges, and many professionals interested in child survivors of the genocide and other related issues using the USAID-funded teaching methodology for trauma healing and reconciliation.

USAID's media program improved the quantity and quality of information to the Rwandan public on justice rendered after the genocide. It also encouraged an informed and independent dialogue on justice issues. "Justice after Genocide" produced bi-monthly video news reports on the progress of the national and Gacaca courts and the International Criminal Tribunal on Rwanda (ICTR) through more than 70 organized newsreel screenings with community organizations, local government officials, and prison authorities across Rwanda. 55,000 people attended and, more than 55 news articles on Gacaca, the national courts, and the justice process in Rwanda were published. It is difficult for "Justice after Genocide" to cover some of the sensitive issues in a country where independent press and freedom of expression is controlled. Providing news reports directly to communities helps give the topic public validity and reduce fear.

Strengthen Civil Society

USAID assisted civil society organizations (CSOs) with training to make them more effective and sustainable. Training enabled CSOs to improve on a broad range of functions, from defining objectives to resource acquisition, financial management, program design, and monitoring and evaluation. Strengthened organizational capacity attracted new members, particularly women, and increased their membership fee revenues.

USAID supported civic education on good governance, human rights, citizen participation, and advocacy. Through a training of trainers approach, 1,032 trainers in civic education in turn trained 17,742 citizens through 1,139 civic education workshops in 59 districts. A GOR initiative to develop a single civic education manual for all organizations undertaking civic education in Rwanda restrained the ability of some partners to implement civic education activities. Media representatives also participated in organizational capacity and civic education training activities, which led to their active engagement in CSO-sponsored civic education.

USAID supported CSOs to promote pluralism and public dialogue. The CSOs organized town hall meetings held at district and provincial levels to create opportunities for direct contact and information exchanges between citizens and government officials. 57% of those participating in the town hall meetings are women. In other evidence of increased public dialogue citizen visits to both houses of parliament, provincial, district and other government offices increased.

Under the Africa Education Initiative, the Ambassador's Girls' Scholarships Program (AGSP) allowed 1,500 disadvantaged but academically talented girls to receive secondary education. Benefits from the program are enhanced by a mentoring component of Rwandan women professionals that helps students build self-confidence and self-trust. This organization receives a grant to help with its work of mentoring the students. AGSP contributes to positive social and cultural change as it demonstrates that women have an important role to play in the socio-economic development of the Rwandan society. In the actual context, it even provides beneficiaries with life skills that help them to fight HIV/AIDS, and sexual and gender-based violence.

A USAID supported women's NGO promotes the role of citizens, and women in particular, in democracy and governance. It encourages women to participate in public decision making. About 250,000 women are served by this CSO. As a result of its work, women have been elected as Gacaca judges, trained in civic education on justice, decentralization and elections. The group served as election monitors and helped educate citizens on the role of witnesses in the Gacaca process.

Strengthen Democratic National Governance Institutions

USAID support for citizen advocacy helped the national parliament increase its engagement with constituents. Citizen organizations learned how to more effectively represent constituent views. Reflecting the increased engagement, committees of the Chamber of Deputies are now open to the public. The two chambers of parliament implemented joint procedures for voting on bills, and formal procedures are in place to receive visitors to the parliament. To make openness more widely known, details of the procedures are on the parliament's web site. The growing independence of the Parliament and broader participation in political life is readily apparent. In FY 2004, the number of formal executive oversight sessions in the Chamber of Deputies increased by 50%. Rwanda has the highest percentage of national women legislators in the world with 48.8% according to the International Parliamentary Union.

Information communication technology (ICT) services funded by USAID are improving education. Four distance training centers to instruct under-qualified secondary school teachers and train new secondary school teachers. The program integrates ICT into traditional teaching and allows the Kigali Institute of Education (KIE) to deliver instruction to a wider audience of students. This helps fill the teacher training gap resulting from the loss of professionals in the genocide. The network supports civil society

development through the use by local communities, government civil servants and women's associations when it is not being used by students.

USAID contributed to the development of basic computer literacy in Rwandan youth and among primary school teachers. A computer was offered to each school that has electricity and teachers were trained at troubleshooting and in the integration of ICT into teaching. The electricity challenge prompted parents to contribute money. They have managed to connect more than 20 schools to the national grid on their own. Where connectivity to the national electrical grid is not available, solar energy is used. The alliance spirit has already attracted one company, Coca-Cola, which donated a computer to each of the 98 connected schools.

USAID assistance has improved election procedures. The National Electoral Commission (NEC) formerly managed a much smaller database stored on two small computers which had been borrowed from the Ministry of Local Government. Collecting voter information in 106 districts and updating the database involved moving forms from districts to the NEC head office. This situation resulted in lost or damaged forms. USAID support provided the NEC with one large server, a fast printer, 4.1 million fraud-free voter cards and a computer system and internet access to each provincial office. Voter registration and management is now more efficient and transparent.

Support Democratic Local Government And Decentralization

With the Ministry of Local Government, USAID's fiscal decentralization activity developed two main systems' manuals covering Budget and Treasury. At least 85% of the districts in the country, up from 75% last year, are producing the new accounting reports on a consistent basis. USAID developed a model based on revenue capacity and expenditure needs that will provide better and more equitable resources among all the 11 provinces and the City of Kigali, and their 106 districts.

A sustainable solid waste management system in one district of Kigali City collects, separates and cleans waste for 10,500 households. About 80% of garbage collected is recycled into compost and fuel bio-mass briquettes, and only 20% remaining is sent to the landfill. Garbage disposal costs are reduced 50% and the system is expected to be replicated in other districts.

Under the Africa bureau anti-corruption initiative, USAID piloted an activity that increases the public accountability and local level oversight preventing the mismanagement of the increased resources that will flow to local district governments. USAID trained trainers in planning, budget and financial practices, and increased accountability in the conduct of financial and other local government functions.

The Kibungo community radio began to broadcast in March 2004. The project facilitated the creation of 10 listeners clubs (50% women and 50% men) who provide input and feedback on the programs broadcast by the Kibungo community radio station.

USAID supported the establishment of the Local Government Finance Unit (LGFU) at the Ministry of Local Government. LGFU is an inspection and coordination unit for fiscal decentralization. It coordinates and assesses performance in revenue and financial management; and provides advice to the Minister responsible for good governance on policy and legislative reform.

A major, cross-sectoral activity under this component is the health decentralization project that has been designed and solicited this reporting period. It is implemented jointly with the Health program and is described in the SO 6 narrative.

Three new community internet centers (CICs) established by USAID are now serving 40,000 people. They help citizens have affordable and reliable access to information, technology services, and training. Beneficiaries of the CICs services include students, NGO employees and local entrepreneurs. The CICs support the GOR policy of increasing access to information. Telecenters are a crucial step towards rural connectivity, on the path to the goal of universal access.

SO: 696-005

SO Title: Improved governance through increased citizen participation

Program Title: Democracy and Good Governance

Status: New in FY 2004

| Indicator | Weight | Baseline Year | Baseline Year Data | Progress Direction + or - | FY2001 Actual | FY2002 Target | FY2002 Actual | FY2003 Target | FY2003 Actual | FY2004 Target | FY2004 Actual | FY2005 Target | Date Last Quality Assess |
|------------------------------------------------------------------------|--------|------------------|--------------------------|---------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------------------------|
| Percentage of citizens engaged with government increased at all levels | 5 | 2004 | 70 | + | 0 | 0 | 0 | 0 | 0 | 0 | 70 | 73 | October 2004 |
| Percentage of citizens expressing confidence in government processes | 5 | 2004 | 63 | + | 0 | 0 | 0 | 0 | 0 | 0 | 63 | 66 | October 2004 |

696-006: Increased use of community health services including HIV/AIDS

Performance Goal: Improved global health, including child, maternal, and reproductive health, and the reduction of abortion and disease, especially HIV/AIDS, malaria, and tuberculosis

SO 04 Performance Overview: Although Rwanda has some of the worst health indicators in the region, USAID is helping the country reach the goals set out in its new health strategy and Millennium Development Goals. USAID implemented reproductive health, child survival, HIV/AIDS and health systems improvements. Investments of USAID funds achieved significant increases in contraceptive prevalence, assisted deliveries, access to health care through insurance schemes, increases in immunization rates, access to insecticide treated nets (ITNs) for malaria prevention, and HIV/AIDS prevention and treatment.

While funding has increased significantly for HIV/AIDS, to meet important goals in containing and reversing the pandemic, there are critical health needs in other health areas that need sufficient funding to meet objectives. In three years time, (according to State of World's Children - UNICEF) Rwanda's under-5 mortality rate fell from the 18th to the 11th worst country in the world. Its current infant mortality rate (IMR) is 183 per thousand. 42% of Rwandan children are moderately or severely stunted. Rwanda has a staggeringly high maternal mortality rate of 1,071/100, 0000. Leading causes of death are treatable diseases such as diarrhea, pneumonia and malaria. Malaria remains the primary cause of morbidity and mortality in Rwanda. Contraception prevalence rate hovers around 4%, and total fertility rate of 5.8 marks a country that is classified as land stressed. While, optimally, USAID would provide national coverage for a country as small as Rwanda, severely limited resources require the program to work only in focus provinces. These provinces contain about a third of Rwanda's population of 8.2 million.

With overall donor funding in Rwanda falling dramatically for reproductive health and children's health, it appears health indicators will continue to decline despite significant gains in focus provinces. Shortages of funds to maintain immunization rates will cause them to fall in target provinces from 85% for DPT to 69%. With additional funding for child survival, malaria and reproductive health, USAID would be able to expand the program to meet the needs of a larger percentage of Rwanda's population and prevent further declines in health status.

FY 2004 was the first full year of implementation of HIV/AIDS programs since Rwanda was designated as a focus country under the President's Emergency Plan for AIDS Relief. Over 48 health facilities are providing a combination of voluntary counseling and testing, prevention of mother to child transmission and anti-retroviral treatment services. The US is the lead donor in the HIV/AIDS cluster, and USAID has made notable progress in its coordination with other USG partners, the National AIDS Commission (CNLS), and other donors. Training an adequate number of nurses and doctors to serve in health facilities remains a challenge to the overall success of the program.

04 SO Performance:

Build Health Systems Capacity

In FY 2004, USAID successfully assisted Rwanda in advancing its health policy of decentralization, identifying the health district as the cornerstone of the health system. However, poverty and related lack of financial resources along with a dearth of qualified staff at the district levels signaled to USAID a need for new financing approaches, post-graduate public health training and community mobilization to meet Government of Rwanda (GOR) goals.

To overcome health financing issues, the government encouraged the creation of community-managed pre-paid health insurance organizations (mutuelles). Mutuelles make primary health care more accessible to underserved residents and promote community involvement in service delivery. USAID is the lead donor in this area. In 2004 USAID conducted workshops on administrative and financial management for more than 1,000 people involved in the daily management of mutuelles. The number of mutuelles in the five USAID districts grew from 54 to 90 and overall membership is over 386,359

nationally. Membership increased by 135%, to more than 275,000 members, in existing mutuelles in USAID focus districts. Mutuelles have contributed to increased use of services. An independent evaluation found that a mutuelle member is five times more likely to seek modern health care when sick than a non-member (1.6 versus 0.27 visits per year). Mutuelles also contributed to stronger financial capacity at their partner health facilities, with some generating up to 75% of total revenue for the corresponding health center. To assist in sensitizing the community about health care and financing options, USAID supported 22 community-provider partnership associations that help to increase mutuelle membership and lobby local government for health facility improvements such as more personnel, availability of supplies and improved patient flow. This approach opened dialogue between health providers and the community they serve, helping community members define the quality health care services they need.

USAID recognized the need for formal structured training to help Rwanda meet its health services personnel gap. USAID assisted the School of Public Health (SPH) to become fully sanctioned as an official graduate program of studies, making it eligible for full government funding. As of 30 September 2004, sixteen of thirty-nine health districts had one or more members of the District Health Team enrolled in the SPH's Executive Master of Public Health (MPH) program, representing 41% of all health districts in Rwanda. All MPH students who are currently enrolled are expected to graduate by the end of 2005. 20 new students are expected to enroll in FY 2005, with a plan to gradually increase intake of Master's students to an eventual level of 30 per year. In addition, the SPH has become a leader in applied research in Rwanda. All senior and junior faculty are engaged in applied research and research has been completed for a variety of other USAID health partners. With USAID assistance, the SPH is developing considerable administrative capacity. The University's Rector singled out the SPH as having the most transparent financial management system. It developed plans for a large-scale graduate certificate program that will enable it to deliver outreach training and education to the allied health sciences and to other departments within the University. The University's financial and planning capabilities also show considerable improvement.

Improve Child Survival, Health And Nutrition

Rwanda has one of the highest maternal mortality ratios in the world, ranks as the 11th worst country in the world for under-five mortality and half its children are moderately to severely stunted in their growth. Within the focus area of one of USAID's child survival programs, there have been significant increases in the proportion of children with a normal weight-for-age ratio increasing from 60% in 1998 to 82% in FY 2004.

Significant achievements at the national level occurred for safe motherhood in 2004. USAID funding supported the development of national maternal health protocols. Following the completion of this national package, USAID assistance helped the Ministry of Health (MOH) develop a complete package of national safe motherhood in-service training materials. A national Training of Trainers (TOT) Course carried out in pedagogical skills produced a cadre of national family planning and safe motherhood trainers. This same cadre updated their training in safe motherhood clinical skills using the national Safe Motherhood modules developed in 2004 with technical assistance from USAID.

Another USAID child survival program, focusing on reducing maternal and child morbidity and mortality, supported the training of 1,780 community health workers to strengthen the link between health facility staff and community health workers. This led to a 9% increase in one year for health facility usage. The proportion of women and children receiving Vitamin A rose from 59.7% to 90%, and women receiving at least 2 Tetanus and Typhoid immunizations during pregnancy went from 14% to 39% in USAID target areas. At the request of the GOR, USAID provided technical assistance to alternative sources of financing for the immunization program in Rwanda. To date, vaccine coverage rates in Rwanda have been a major success story, contributing in large measure to a reduction in the IMR and progress towards Millennium Development Goals of reduced child mortality. However, in the absence of sustained financial support for immunization programs, vaccine-preventable diseases will quickly return.

During the period 2006-2008, when the Global Alliance for Vaccines and Immunization (GAVI) funding tapers off, the average annual national resource requirement will be \$7,379,877 of which \$3,022,886 per year is currently unfunded. The most expensive element of the National Immunization Program is the DTP-Hepatitis B+ Hib (Haemophilus influenzae type B) vaccine which contributes to 54% of the costs of the National Immunization Program. This vaccine protects children against diphtheria, tetanus, pertussis, hepatitis B and Hib. It is unofficially estimated that in the absence of vaccination against Hib disease, approximately 2,400 children in Rwanda would die each year from Hib alone and many survivors would be left with long-term neurological problems from meningitis. USAID took the lead in establishing the donor/public-private steering committee which is examining funding gaps and looking for solutions that will preserve gains in immunization and prevent loss of life.

Prevent And Control Infectious Diseases Of Major Importance

Malaria is currently the leading cause of mortality and morbidity in Rwanda and the reason for 50% of consultations in health centers. In 2004 USAID worked to develop the Roll Back Malaria strategy and currently 39 districts are implementing the action plan. In addition, with USAID support, insecticide treated bed nets (ITN) coverage increased from 4% to 15% nationwide. In USAID-supported sites coverage for ITNs reached almost 60%, is the Abuja target for coverage. Because of this ITN intervention there was a dramatic reduction of the prevalence of high fever among children aged less than 5 years, from 75% to 29%. In this area in 2004 under-5 mortality declined by 64%. However, due to a severe shortage of ITNs nationally, Rwanda as a whole will be unlikely to reach the Abuja targets. USAID works to incorporate malaria prevention components into prenatal care and mutuelle outreach activities, including the provision of IEC on the risk of malaria, high risk groups and the means of prevention. This is combined with the distribution of subsidized insecticide-treated nets and net retreatment kits to prime risk groups.

Reduce Transmission And Impact Of Hiv/Aids

See the State Department Office of the Global AIDS Coordinator report for a full discussion of this program, <<http://www.state.gov/s/gac/>>.

In FY 2004, the USAID Emergency Plan effort made notable progress. With USAID support, a total of 48 clinical facilities began providing a combination of services., 28 provided voluntary counseling and testing (VCT), 34 sites provided prevention of mother to child transmission (PMTCT) and 12 provided anti-retroviral therapy (ART) services. The ART sites provided treatment to 4,386 patients, as compared to fewer than 100 in the entire country in 2003. USAID provided care and support for more than 10,000 people, and more than 23,000 pregnant women received services to prevent mother-to-child transmission of HIV/AIDS. Operationally, mechanisms established for more productive working relationships with other USG agencies, the GOR, and other donors, are leading to more clearly defined functional areas and making better use of partners' strengths. Ambassador Tobias, Global AIDS Coordinator, recently cited Rwanda as a country with the very desirable single national plan, single coordination authority and single monitoring system. He complimented the Rwandan national HIV /AIDS leader, Dr. Agnes Binagwaho, for her excellent work coordinating this program for the country.

Reduce Unintended Pregnancy And Improve Healthy Reproductive Behavior

From supportive supervision visits at providers' facilities to assisting the MOH in a national campaign to promote family planning, USAID's wide-ranging activities in Rwanda included reproductive health community-level interventions in seven of the country's 39 health districts. In FY 2004, USAID's FP/RH interventions increased methods available nationwide and increased coverage levels of FP and RH services in the 7 targeted USAID-supported districts. As a result, more facilities are offering a full range of RH services every day. Contraceptive prevalence rates of family planning services, which were less than 1.5% in 2001 in all 7 districts, reached levels as high as 12.6% in 2004. Standards of privacy and

complete information sharing were well entrenched in the service delivery practice. Seventy-six health sites in four districts received equipment, supplies and RH reference materials on antenatal care, FP, and safe motherhood. An Information Education Communication/ Behavior Change (IEC/BC) Communication FP training module was developed to accompany the national family planning IEC materials. The MOH and other key donors, including the UN Fund for Population Activities, German Aid (GTZ) and the World Health Organization, were engaged in a stakeholder process to develop the materials.

Changes in SO: The health program successfully added a significant size HIV/AIDS component to the work of the SO team when Rwanda became a focus country. This challenge was met but not without a cost. Relationships with key government ministries that were impaired by the rapid rollout are now mending and a national coordination unit set up by the GOR is functioning well. The concentration of resources on one disease skews health care delivery across the system. The Ministry of Health requested that USAID look at increasing child survival and family planning funds.

SO: 696-006

SO Title: Increased use of community health services including HIV/AIDS

Program Title: Health and HIV/AIDS

Status: New in FY 2004

| Indicator | Weight | Baseline Year | Baseline Year Data | Progress Direction + or - | FY2001 Actual | FY2002 Target | FY2002 Actual | FY2003 Target | FY2003 Actual | FY2004 Target | FY2004 Actual | FY2005 Target | Date Last Quality Assess |
|----------------------------------------------------------------|--------|---------------|--------------------|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------------------|
| Contraceptive prevalence rate in Kigali Town | 4 | 2004 | 14 | + | 0 | 0 | 0 | 0 | 0 | 0 | 13.5 | 15 | 2004 |
| Contraceptive prevalence rate Gikongoro | 4 | 2004 | 2 | + | 0 | 0 | 0 | 0 | 0 | 0 | 1.9 | 2.8 | 2004 |
| Contraceptive prevalence rate Gitarama | 4 | 2004 | 4 | + | 0 | 0 | 0 | 0 | 0 | 0 | 4.2 | 5.2 | 2004 |
| Contraceptive prevalence rate Kibungo | 4 | 2004 | 5 | + | 0 | 0 | 0 | 0 | 0 | 0 | 5.3 | 6.3 | 2004 |
| Percentage of children with DPT 3 in Gitarama | 4 | 2004 | 93 | + | 0 | 0 | 0 | 0 | 0 | 0 | 93.2 | 94 | 2004 |
| Percentage of children with DPT3 in Gikongoro | 4 | 2004 | 94 | + | 0 | 0 | 0 | 0 | 0 | 0 | 93.6 | 94 | 2004 |
| Percentage of children with DPT3 in Kibungo | 4 | 2004 | 78 | + | 0 | 0 | 0 | 0 | 0 | 0 | 77.5 | 78 | 2004 |
| Percentage of children with DPT3 in Kigali Town | 4 | 2004 | 75 | + | 0 | 0 | 0 | 0 | 0 | 0 | 75 | 76 | 2004 |
| Total number of HIV/AIDS clients reached with care and support | 5 | 2004 | 18473 | + | 0 | 0 | 0 | 0 | 0 | 0 | 17939 | 40000 | 2004 |

696-007: Expanded economic opportunities in rural areas

Performance Goal: Institutions, laws, and policies foster private sector led growth, macroeconomic stability, and poverty reduction

SO 04 Performance Overview: USAID's program to expand economic opportunities provides training, technical assistance, savings mobilization and credit guarantees to improve private sector growth, improve agricultural productivity, and to enhance the financial sector's contribution to economic growth.

Rwanda has ambitious objectives to convert its economy to one that is much less dependent on agriculture. Currently 90% of the population works in agriculture. The Government of Rwanda (GOR) hopes to reduce this source of employment to 50% by 2020, mainly by developing its human resource base and providing many more off-farm employment opportunities. This strategy depends on raising rural incomes so that people can seek education and training opportunities for their families. Higher incomes will require greater productivity on small land holdings and adding value to traditional crops.

In its first full year of implementation, this program is producing results built on the lessons learned and the strong institutional base provided by its predecessor program. Despite reduced funding, USAID was able to achieve a substantial number of targets, proving the readiness of the farm families to take advantage of the new opportunities. During the reporting period, USAID produced measurable results in private sector development in agribusiness and off-farm sectors. The program increased production and processing of export products, with increased prices for value-added commodities.

Together with the Ministry of Commerce, USAID continued to co-chair the Private Sector Cluster of the Development Partners Coordination Group, a mechanism of the GOR-Donor coordination framework. In its leadership capacity among donors in the private sector, USAID helped to influence policy development and priorities from the African Growth and Opportunity Act (AGOA) to promote exports.

04 SO Performance:

Increase Agricultural Productivity

USAID assistance improved production of both crops and livestock. Important emphasis was placed on the dissemination and adoption of improved agricultural practices. USAID contributed to the dissemination of improved, productivity-enhancing technologies and capacity building at the National Agricultural Research Institute (ISAR.) Improved varieties of bush beans, climbing beans, orange-flesh sweet potatoes, cassava, Irish potatoes, maize and other horticultural crops were disseminated among producer groups around the country. This program also embarked on the development of bio-fortified crops to address the nutrition needs of people living with HIV/AIDS. 20 more village information centers were established, in addition to the 10 established in FY2003. These centers help introduce and disseminate improved agricultural production practices.

Collaborating with private voluntary organizations (PVOs), USAID disseminated improved bush bean, orange-flesh sweet potatoes, maize, Irish potato seeds to 1,850 new households, adding to the 10,000 households that received bush beans seeds in FY 2003. Families benefited from improved nutrition though increased protein availability at the household level. With productivity increases, farmers had additional production to sell. Dissemination of a new variety of rice helped 2,150 farmers in Butare double their incomes and diversify income sources. Rice is in high demand in Rwanda and the GOR hopes to increase local production to offset costly food imports.

A USAID-supported PVO procured and distributed 170 improved cows to 170 households in addition to 505 distributed last year. The calves produced are also increasing livestock holdings. Diversification into livestock is a key objective of the GOR to increase rural incomes and restore herds lost during the recent conflicts. Through investments in the dairy sector, USAID helped to raise incomes and employment through the distribution of the cows and the sale of milk. In FY 2004, the assisted families produced 11,592 liters of milk per day at a value of about \$4,000, i.e. about \$50,000 annually. This milk production

not only contributed to nutrition of the customers, the income allowed producers to have better nutrition, improved access to health care and better education for their children as well as to acquire assets such as new houses, plots of land, and bicycles. It has been a catalyst for integration and reconciliation among the communities through shared labor and market and production linkages. In addition, animal manure contributes to soil fertility which is especially low due to small farm sizes and over-cultivation of existing holdings.

Food assistance activities are fully integrated in USAID's rural economic growth program, contributing to employment, introduction of improved agricultural technologies, agri-business development, incomes and food security. Food aid partners promoted soil and water conservation through terracing steep slopes, land reclamation in the wetlands and improved agricultural practices in targeted areas through farmers' organizations. They also made infrastructure improvements that facilitated farm-to-market access. Food aid partners continued to provide a safety net for over 7,000 orphans, elderly and street children as well as 4,400 HIV/AIDS-impacted households through improved nutrition and income generating activities.

Responsibly managed monetization under food aid programming contributed to food security, employment and incomes. Under a food security grants program integrating food for peace monetization proceeds, USAID continued to diversify support for agribusiness enterprises. A total of \$568,991 was granted to cooperatives and associations involved in areas as diverse as coffee processing, passion fruit production, cheese processing, tea production, chili peppers, cassava processing, honey, tomato production and fish farming.

Under P.L. 480, planned, integrated food assistance interventions continued to help to transfer improved technologies from research stations to growers including the dissemination of improved seed and soil and water conservation techniques. As an associated measure, USAID plans to improve rural infrastructure that promotes farm-to-market access, productivity, and conservation. Through prospective food-for-work activities, USAID identified rural public works that support productivity increases.

USAID's centrally funded Famine Early Warning System Network (FEWSNET) that executes early warning and vulnerability analyses, provides timely and rigorous information on emerging and evolving food security issues in Rwanda. This complementary information helps inform farm productivity activities with climate and vegetation projections and also tracks human displacement that can affect food availability for local populations.

Increase Private Sector Growth

An expanded private sector is critical to greater economic opportunity for Rwandans. New firms, growth in existing firms, of any size, and cooperatives are needed to help the sector expand and provide growing employment and income.

USAID increased private sector access to markets for a range of products, including specialty coffee, handicrafts and horticulture. 59 businesses expanded their markets with USAID support for technical assistance for marketing, improved business practices, investment, and trade promotion strategies. USAID funded the first e-commerce website for Rwanda, targeted on Rwandan handicrafts. Handicraft operators increased volume from threefold. Export-oriented activities for the SO remained focused in specialty coffee, horticultural production (passion fruit, apple, banana, and gooseberry), and processing technologies in pyrethrum and essential oils, as well as other promising areas such as chili peppers and dried fruits. With improved agricultural processing and market development, 79 assisted enterprises reported a gross income that increased from US\$1,880,176 in 2003 to US\$4,096,795 in 2004.

USAID support for improved quality for its assisted coffee cooperatives has had an impact. Rwandan growers have enjoyed higher prices on the specialty coffee market. Although the average price increased slightly from \$1.33/lb in 2003 to \$1.35 in 2004, exceptional lots are being sold for up to \$1.80/lb. This price is more than twice the price of standard bulk coffee on the world market. USAID forged critical public-private partnerships by linking Rwandan producers directly with US specialty buyers through joint

trade visits in Rwanda and the US. Among the results was a dependable market, double the income for Rwandan producers, and a competitive, quality product for US buyers. Production and processing of USAID-supported specialty coffee enterprises increased from 334 metric tons (MT) in FY 2003 to 750 MT in FY 2004. This increase in specialty coffee was important for private sector growth and balance of payments. For fruit juices and jams, volume grew from 336,810 liters in 2003 to 783,906 in 2004, a 232% increase. For pyrethrum, volume increased 160%, from 25 tons in 2003 to 40 tons in 2004.

Improved processing technologies added significant value to select products. There was a 91% increase in the price received for coffee, a 63% increase in fruit juice price, a 200% increase in passion fruit price and a 200% increase in pyrethrum price. Not only did producers earn more, but income from downstream processing for export commodities was retained in the production area. Cooperatives in the provinces of Kibuye, Gisenyi and Kigali-Ngali received USAID assistance for the first time, expanding the coverage impact of this component nationally.

The first transport container of 6.8 MT of chili pepper was sold in the year 2004 at an average price of \$2.7/kg. During the period, the number of chili pepper producer associations increased from 20 to 34. The first transport container of cassava flour will be sent before the end of 2004 at an average price of \$0.75/kg (without transport cost), double the local market price. In 2004, the cassava flour volume increased from 6 to 12 metric tons produced for export. In 2003, there were no registered producers associations of cassava. In 2004, 14 associations gathered are registered to become members of a new USAID assisted cooperative. This consolidation allows the associations to pool transport costs and solicit joint bids for production.

The number of new technologies that add value to commodities increased from 12 in 2003 (6 in coffee, 4 in chili pepper, 1 in cassava and 1 in geranium) to 16 in 2004 (8 in coffee, 4 in chili, 2 in cassava, 2 in geranium). Examples include new technologies related to the cupping and roasting of green coffee, and new technology for packaging cassava flour so that it is shelf ready for market in Europe.

USAID continued to build capacity under regional programs. The East and Central African Trade Competitiveness Hub enhances Rwanda's ability to interact with the Common Market for East and Southern Africa (COMESA), which Rwanda joined in 2004. This program also helps Rwanda negotiate in global trade fora, such as the WTO. The Regional Agricultural Trade Expansion Services (RATES) managed by REDSO in Nairobi expands and sustains regional agricultural trade flows through strengthened human and institutional capacities. RATES manages and upgrades the Regional Agriculture Trade Intelligence Network (RATIN) website, launched in four target countries: Kenya, Tanzania, Uganda, and Rwanda. The website has postings of regulatory requirements, market news items, trade directory, and regular policy harmonization updates. USAID uses this information to increase market access for its cooperative and business partners. To compliment the RATIN focus on price and production information, RATES has designed a trade-linkage site, www.tradeafrica.biz <<http://www.tradeafrica.biz>> accessed through RATIN, to facilitate active trade communication between suppliers and buyers throughout the Region.

Strengthen The Financial Sector's Contribution To Economic Growth

USAID programs increase access to rural finance necessary for economic expansion and employment creation. From micro-finance institutions, to credit unions, to commercial banks, USAID increases access to financial products among traditionally high-risk borrowers and sectors. USAID continued to enhance the technical and institutional capacity of the Union des Banques Populaires (UBPR), Rwanda's leading credit union. Efforts are improving systems at the central UBPR and 18 pilot local banks through computerization and training on credit and recovery. In addition, new product were developed in areas such as micro and small enterprise loans, lines of credits and housing loans. The total number of members increased from 348,000 in 2003 to 395,106. During the same period, the gross loan volume increased by nearly \$6 million. Total savings in UBPR increased from \$34,435,796 to \$38,508,557. Meanwhile, with improved accounting systems, portfolio management and tracking, the delinquency ratio of the gross loan portfolio declined from 13.07% to 8.4% for banks and from 15% to 11.26% for the pilot

banks.

USAID expanded competitive client-oriented microfinance services. More participating microfinance institutions achieved operational self-sufficiency (a ratio of financial income to operating, financial and loan loss provision costs), increasing from 86 % in September 2003 to 92.75 % in September 2004. The unexpected closure of the produce market in Kigali town led to a slight decrease in the portion of microfinance institutions (MFIs) achieving financial self-sufficiency (ratio of financial income to financial, operating, loan loss provision and capital costs), from 82.5 % to 81 %. Total clients numbers by September 2004 exceeded the targets by over 15%. Membership increased significantly from 1,161 in September 2003 to 18,212 in September 2004. 66 % of MFI members are women. At the end of the reporting period, total accumulated savings amounted to \$103,796 against \$ 4,644 last year in just three months of activity. The total outstanding loans progressively doubled from \$ 153,554 as of September 30, 2003 to \$314,251 by the end of September 2004, with a delinquency ratio of only 2.9%.

1,209 microfinance institution members completed their training in community- based HIV/AIDS outreach, and over 7,000 clients were undergoing training in HIV/AIDS awareness and sensitization by the end of the reporting period. This activity is still in its initial stages and numbers are projected to continue to increase.

In a bid to expand agricultural lending, perceived as highly risky by the commercial banks, USAID signed on September 28, 2004 a loan portfolio guarantee agreement with Banque de Kigali, the leading commercial bank in Rwanda. The agreement covers a loan portfolio of up to \$2,000,000 with a 40 % credit guarantee on net principal loss. Qualifying loans can be placed under coverage from September 28, 2004 through September 27, 2007. The facility will primarily target USAID-supported agricultural enterprises producing, processing and marketing value-added agricultural products in strategic, export-oriented sectors. This infusion of available capital is expected to help meet business expansion needs nationally.

Changes to SO: Original program components supporting the SO level achievement can be maintained under the reduced funding, but impact and coverage will be reduced over the life of the SO. Some key grants will not be renewed if planned funding is not restored. This will reduce the contributions of the agricultural productivity component in particular since diversity of program approaches is a key element of success.

SO: 696-007

SO Title: Expanded economic opportunities in rural areas

Program Title: Rural Economic Growth

Status: New in FY 2004

| Indicator | Weight | Baseline Year | Baseline Year Data | Progress Direction + or - | FY2001 Actual | FY2002 Target | FY2002 Actual | FY2003 Target | FY2003 Actual | FY2004 Target | FY2004 Actual | FY2005 Target | Date Last Quality Assess |
|--------------------------------------------------------------------------------------|--------|---------------|--------------------|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------------------|
| Increase in number of entities dealing in new products and service in targeted areas | 4 | 2004 | 96 | + | 0 | 0 | 0 | 0 | 0 | 0 | 96 | 105 | 2003 |
| Kilograms of Pyrethrum marketed by assisted enterprises | 3 | 2004 | 36764 | + | 0 | 0 | 0 | 0 | 0 | 0 | 36764 | 38698 | 2003 |
| Metric tons of specialty coffee marketed by assisted enterprises | 3 | 2004 | 334 | + | 0 | 0 | 0 | 0 | 0 | 0 | 334 | 668 | 2003 |
| Pounds of chili peppers marketed by assisted enterprises | 3 | 2004 | 37000 | + | 0 | 0 | 0 | 0 | 0 | 0 | 37000 | 148000 | 2003 |

696-X00X: delete

Performance Goal: Erroneous SO Entry

SO 04 Performance Overview:

04 SO Performance:

696-XXX: delete

Performance Goal: Erroneous SO Entry

SO 04 Performance Overview:

04 SO Performance:

696-XXXX: delete

Performance Goal: Erroneous SO Entry

SO 04 Performance Overview:

04 SO Performance:

C. SO Level 07 Plan Narrative:

696-005:

Program Title: Democracy and Good Governance

SO 07 Plan Overview

USAID will support Rwanda as its people move toward open, participatory democracy. Assistance will help Gacaca (traditional justice) courts resolve cases against 100,000 individuals charged with crimes in the 1994 genocide as part of a broader program to promote justice and reconciliation. Civil society will be strengthened by support for organizations that engage individuals in community service and advocacy to government both at the central and local levels. Assistance to government, at all levels, will foster openness to citizen concerns and enhance capacity to deliver services in response to those concerns.

Support Democratic Local Government And Decentralization

USAID will continue to support local governments to more effectively plan, budget and deliver social services, including health. Technical assistance to the central Ministry of Local Government will help to implement the defined national policy development and implementation. Trained personnel in districts in planning, administrative management, budgeting and monitoring will continue to improve the management of projects and delivery of services.

In FY 2007, the five year Decentralization and Health Project (DHP) will complete Phase I and commence Phase II. In this phase, local administrative districts will be working more closely with health districts in all phases of planning and management and will be realizing improvements of health service delivery funding and performance as a result. Some of these changes will include:

(1) identifying appropriate levels of resource transfers from the central government to districts so that sufficient recurrent (operating) funds are available to enable staff to spend development (capital) budgets effectively, (2) utilizing appropriate channels of resource transfers from the central government to districts for both recurrent budgets and development budgets for new activities needed by the communities, (3) fostering increased local revenue generation (taxes, fees) by districts while still maintaining political support for decentralization, (4) approaching parity among resource-poor and resource-rich districts, (5) expanding the local planning and budgeting process to encompass social services (health, education) as well as rural infrastructure, (6) developing a single development plan to be funded by multiple sources of financing, (7) addressing the needs of multi-district facilities such as referral hospitals, and (8) increasing local capacity to implement all aspects of the national decentralization policy.

Based on the results of a Democracy and Governance Assessment completed by USAID, the longer-term result of local government decentralization is to achieve a full realization of good and participatory governance through continued decentralization of political decision-making and administrative and financial powers; strengthening of civil society organizations at all administrative levels; strengthening of government systems to manage and deliver services; and fostering the ability of the government and civil society organizations to effectively forge partnerships at national and local levels. Given the strong linkage between poor governance and corruption, these are the challenges that will be addressed during this critical second phase of the activity.

Phase II will also address the documented low levels of public discussion and lack of public accountability that amplify the problems of corruption and poor public accountability present in Rwanda. USAID will inform citizens of their need to fulfill these necessary roles and lobby the government to achieve the changes they want to see nationally and at local levels. These objectives often run contrary to Rwanda's tradition and culture. In order for the decentralization program to be effective, citizens must demand good governance and services and be assisted with formal systems of oversight that limit and detect corrupt behavior of the local government.

Strengthen Democratic National Governance Institutions

Working with national community service organizations, USAID will continue to strengthen linkages and responsiveness between and among national institutions, particularly the Parliament, and the people it serves. USAID will continue to support parliament to promote quality and frequency of the consultative process focusing on specific policy issues. Advances recently achieved in parliamentary consultation through open forums, committee meetings, parliamentary website will continue. It is expected that parliamentary consultation will also increase and that topics of concern to national and local lobbying groups will evolve to include direct political concerns as well as resource and development issues.

Strengthen Civil Society

Civil society organizations (CSOs) are just beginning to understand their role in society at the national level. Although civil society has made some gains in service provision and advocacy, CSOs (apart from farmers' associations and cooperatives) are almost non-existent at the district level and below. CSOs face challenges due to lack of human and financial resources, as well as basic communication and coordination. Umbrella organizations help to coordinate and support groups in several areas of civil society, including human rights, women's promotion, genocide survivors, and rural development, but these remain limited in scope and strength of participation at the local level, due largely to their own capacity limitations. There is a lack of supportive government systems that enable participation and understanding. Ongoing cultural tendencies are not conducive to independent civic action. Citizens' confidence in government will increase as they see improved responsiveness and access to services and political processes, and this will in turn enhance the capacity of civil society to engage in national and local debates. USAID will continue to provide technical assistance and training to local NGOs in local-level policy and decision-making processes, advocacy skills, grants management, information and communication technology, and promotion of diversity, gender equality and reconciliation. National CSOs will actively utilize skills learned to effectively serve as a link between citizens and national government to help open dialogue, increase political discussion and dissent, and increase participation in national politics.

Improve Community-Based Reconciliation Efforts

Improve community-based reconciliation efforts. USAID will continue to support the National Unity and Reconciliation Commission for documentation and research on the reconciliation process. Support for CSOs will provide income generating opportunities through community-based solidarity groups that build incentives for concrete results at the community level with a focus on the role of gender in the reconciliation process. The continued support to the Gacaca process will contribute to liquidating the enormous case backlog facing these traditional courts.

696-006:

Program Title: Health and HIV/AIDS

SO 07 Plan Overview

Improved health will require community interventions as well as improved health system capacity. Strengthened managerial, as well as technical, capacity in the health system will permit more effective use of the human resources available, even as human resource capacity is enhanced. Community programs will involve citizens more fully in their care, and make more effective use of the health system. Control of malaria, for example, will include both non-clinical practices such as insecticide treated bed nets (ITNs) and clinic-based preventive treatment during pregnancy.

Reduce Unintended Pregnancy And Improve Healthy Reproductive Behavior

USAID will continue to increase access to, and quality of, family planning and reproductive health (FP/RH) services available in both facilities and in the communities. Focus will be on training a network of providers in each target district to enable women and men to better act on their knowledge of the

importance of child spacing and RH services, and to access them more easily. Traditional birth attendants (TBAs) will be trained to provide information, counseling and commodities and to ensure a stronger link with health facilities. All Mexico City requirements will be followed. In addition, the community based approach to reduce maternal mortality in Rwanda will continue to train teams of local NGOs, private associations, faith-based groups and community leaders in USAID focus provinces to build and reinforce linkages. Community-based providers, facility-based providers and community members will instruct community members on the danger signs of complicated pregnancies, the consequences of delays in seeking care, and the importance of prompt response to postpartum bleeding. TBAs and other primary providers will receive training in life saving skills that can be implemented in the communities, while facility-based providers will be trained in basic emergency skills. Community mobilization activities will continue to focus on setting up emergency obstetric and neonatal care committees, pooling emergency funds and establishing transportation plans to ensure women and newborns reach referral facilities quickly in the event of an emergency. In addition, USAID recognizes that the costs associated with childbirth are a financial burden to women in Rwanda. Having financial and other resources available for emergency obstetric evacuations and referrals is critical to saving women's lives. Working with mutuelle organizations USAID will work to help districts and communities develop financing schemes to help families plan for and access emergency obstetric care. The introduction of public-private partnership models to districts and communities will help with financial burdens. In addition, USAID will transfer skills in contraceptive logistics management to central and district levels and potentially add to contraceptive procurements to meet increasing demand if funds are available.

Reduce Transmission And Impact Of Hiv/Aids

Reduce transmission and impact of HIV/AIDS. See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Prevent And Control Infectious Diseases Of Major Importance

USAID will work with all partners to continue to decrease the malaria burden for all Rwandans with specific attention to children and pregnant women. Continued attention will be paid to key interventions promoted by the country's Roll Back Malaria Program (RBM) such as the provision of insecticide treated bed nets (ITNs), preventive treatment during pregnancy, community-based presumptive treatment for young children and improvements in the quality of malaria care and diagnosis at health facilities. Bednets will continue to be offered through prenatal clinics. USAID will continue building skills at the central, district and local levels for improved advocacy, planning, implementation and evaluation of malaria prevention and control activities. In addition, USAID will continue to support the national Roll Back Malaria program.

Improve Child Survival, Health And Nutrition

USAID will continue to improve the health of Rwanda's population through supporting the Ministry of Health, districts and local communities to integrate child survival, health and nutritional activities at the decentralized district level. Attention will continue to focus on implementing the integrated management of childhood diseases (IMCI) policy at district and community levels. This will entail organizing training of health facility staff in all four USAID focus provinces. At the community level, USAID will support health clinics to provide services and health information. Systems will be established for management of supplies so there are no stock outs of essential commodities. To improve the overall nutritional status of Rwanda's population, USAID will continue to focus on high-impact, proven interventions to improve the nutritional status especially of women and young children. This will include the distribution of iron supplementation during pregnancy, integration of Vitamin A supplementation into community and facility activities, malnutrition screening of sick children at the community and facility level, and the use of the Hearth approach for nutritional community support. The Hearth Model teaches mothers how to grow and prepare nutritionally and culturally appropriate meals for poor households. USAID will focus on community engagement in creating demand for and helping to manage high quality child survival, health and nutritional programs. Community involvement in health services planning will continue to underlie USAID's program to ensure that health services are meeting the expressed needs of the community.

Through training by USAID, community members will continue to monitor the quality of services provided. Community involvement in ensuring high quality health services will be supported through regular participatory appraisals of community health needs and the participation of community representatives in the development of health center plans.

Build Health Systems Capacity

USAID will strengthen systems within the Ministry of Health (MOH) and Ministry of Local Government (MINALOC) at the central and district level to more effectively plan, mobilize and allocate resources. Through on-the-job training, special workshops, and training of trainers USAID will continue to build human capacity. Interventions will continue to train staff so that technical skills are transferred to planning staff within the ministries. USAID will work to implement policies and guidelines. In this process, USAID will ensure that there is increased accountability and transparency through support for data-driven decision making. Other components will help feed district-level information to policy makers so there is better understanding of health needs throughout the country. Information systems will continue to be strengthened within the MOH, providing appropriate internet connectivity and enhancing collaboration and to continue to build the capacity to use information effectively. In addition, USAID will work with MINALOC and the Ministry of Finance (MINECOFIN) to develop guidelines that will allow districts greater discretion in establishing rates for local taxes and fees. Work with stakeholders will lead to changes that reflect the real financial needs of districts, focusing on health sector needs. USAID will assist MINALOC and the districts in determining base rates for taxation which is an essential component for achieving effective fiscal decentralization. At the same time, USAID will continue to work with focus districts to enhance their effectiveness at raising revenues. USAID will identify best practices as the process evolves and extend them throughout the whole country. Through technical assistance, training and other support, USAID will expand membership and improve the functioning of community-based financing schemes (mutuelles). The contribution of mutuelles in improving financial access to services is critical for a functional health system in Rwanda.

696-007:

Program Title: Rural Economic Growth

SO 07 Plan Overview

USAID's rural economic growth program will continue to increase agricultural productivity, increase private sector growth, and strengthen the financial sector's contribution to economic growth in targeted rural areas nationwide. Integrated Food for Peace food assistance interventions will transfer knowledge of USAID-funded new improved, productivity enhancing technology transfers from research stations to growers and will improve rural infrastructure that promotes farm-to-market access, productivity, and conservation. USAID will increase local capacity and rural employment through increased production, processing and export of agribusiness and other competitive products. Further efforts will increase savings mobilization, and access and availability of credit for high-risk export-oriented agribusinesses, support income-generating activities, and build the leading credit union's capacity to develop the Rwanda Microfinance Forum to support the development of micro-credit programs.

Strengthen The Financial Sector's Contribution To Economic Growth

USAID will scale-up "best practices" in rural finance that both diversify the portfolio and expand the client base, particularly in underserved sectors like agriculture, and among underserved borrowers, notably women. USAID will increase savings mobilization and help microfinance institutions (MFIs) and local credit unions make credit available to established as well as new enterprises and other borrowers, including women's groups and village banking structures. In collaboration with the health program, microfinance activities will integrate HIV/AIDS awareness training into services extended to mutual lending associations. To further stimulate access to rural finance, USAID will guarantee loans through the Bank of Kigali using the Development Credit Authority (DCA). This undertaking will encourage the financing of traditionally high-risk sectors especially export-oriented agribusiness. USAID will improve the

systems capacity of the country's leading credit union and to develop the Rwanda Microfinance Forum (RMF) in order to support the development of micro-credit programs. USAID will continue to support a host of income generating activities ranging from the extraction of essential oils from eucalyptus and geranium for medicinal and cosmetic purposes, to solar drying for pyrethrum processing, and improved fish production and processing technologies on Lake Kivu. USAID envisions increasing its local partnerships in order to build local capacity, ownership, and sustainability.

Increase Private Sector Growth

USAID will expand successful efforts in commodities that have a high potential for rural employment in terms of production and processing. USAID will seek to partners may seek to identify and support other competitive enterprises and sub-sectors including eco-tourism and handicrafts.

USAID has been assisting Rwanda to increase its rural productivity and to address agricultural and food security challenges using innovative and sustainable development approaches. In recent years, agribusiness has been an important focus of the program. Rural economic development has resulted in increased production and yields. USAID will continue supporting an agribusiness center that serves a growing clientele of traders, processors, and exporters. USAID has also helped to revive the export sector by focusing on competitive products. USAID's success in the specialty coffee sector is a model for replication with other agricultural products, and it has already resulted in the GOR's adoption of a national coffee strategy and significant private sector investment. Support for this important commodity will continue in FY 2007 and yields and exports are expected to continue increasing. Building local capacity is central to the USAID program. USAID has helped to revitalize Rwanda's National Agricultural Research Institute (ISAR), once a model for the region. ISAR is again playing an active national role.

Bilateral efforts will be further leveraged by USAID's regional programs such as the ECA TRADE Competitiveness HUB, RATES, and RATIN.

Increase Agricultural Productivity

USAID will increase the number of improved, productivity enhancing technology transfers. The national agricultural research center will be a key partner in this effort. Planned, integrated food assistance interventions will continue to help transfer improved technologies from research stations to growers including the dissemination of improved seed and soil and water conservation techniques. As an associated measure, Food for Peace activities in Rwanda will improve rural infrastructure that promotes farm-to-market access, productivity, and conservation. Through food-for-work activities, Title II resources will be focused on the domain of rural public works that can optimize broad-based public benefits. Associated monitoring of climate and natural disasters as well as movements of people across borders in the region will be conducted by USAID's centrally funded FEWS-NET Project.

D. Resource Request Narrative

| Account | FY 2005 | FY 2006 | FY2006 | FY 2007 |
|-----------------------------------|----------|----------|-----------|----------|
| | Planned | Controls | Alternate | Request |
| 696-005: Democracy and Governance | | | | |
| DA Fund | \$1,707 | \$1,878 | \$2,000 | \$2,066 |
| ESF Fund | \$3,000 | \$----- | \$3,000 | \$3,000 |
| 696-006: Health & HIV/AIDS | | | | |
| CSH Fund | \$13,406 | \$14,474 | \$15,700 | \$15,071 |
| 696-007: Rural Economic Growth | | | | |
| DA Fund | \$3,414 | \$3,482 | \$4,500 | \$3,830 |
| P.L. 480/II | \$13,200 | \$11,500 | \$11,500 | \$11,500 |

Rationale and Justification

FY 2006: The FY 2006 control levels represent a minimum investment to achieve results and meet commitments in the Mission's Integrated Strategic Plan (ISP) for FY2004-FY2009. Since the strategic plan was approved, Rwanda has amended the law governing the Gacaca traditional court system which presents an exceptional opportunity for USAID to assist in seeking justice and reconciliation in the wake of the 1994 genocide. The amendment requires that a larger number of judges and court administrators be trained to address the backlog of 100,000 pending Gacaca cases. Reconciliation activities of the program continue to depend almost entirely on ESF funds. Rwanda was selected as a focus country for the President's Emergency Plan for AIDS Relief (PEPFAR) and completed its first year of full implementation in FY 2004. Additional HIV/AIDS resources are being provided by the State Department Office of the Global AIDS Coordinator. Outside HIV/AIDS, though, budget stringencies severely restrict USAID capacity to assist Rwanda. The CSH level of non-HIV/AIDS funds to address population and immunizations is insufficient to address current needs. The rural economic growth SO is operating with 35% fewer resources than envisioned in the approved strategic plan.

Under the Mission's alternate FY 2006 scenario, additional DA resources for rural economic growth would increase activities that assist small and medium-sized agro-enterprises, microenterprise development and trade capacity building. In Rwanda, 90% of the population lives on subsistence agriculture and investments to increase agricultural productivity and rural incomes are sorely needed. Despite funding shortfalls, this SO received the highest performance rating from PPC for the Africa Bureau last year, and continues to produce important results. The SO has leveraged resources by establishing a loan portfolio guarantee facility with the Bank of Kigali through the Development Credit Authority (DCA). This undertaking will further encourage financing for perceived high-risk sectors, especially export-oriented agribusinesses. The expanded efforts would focus on commodities that have a high potential for rural employment in production and processing, significantly enhancing trade capacity. The SO would assist new competitive enterprises (including microenterprises) in high-potential areas including eco-tourism and handicrafts. This SO has achieved impressive results with reduced funding, but more can and should be done.

Pressing health issues in Rwanda may be losing attention because of the recent influx of HIV/AIDS funding. With additional CSH funds for population and immunizations, the health SO would be able to address some of these issues. Malaria and tuberculosis are still the biggest killers of children under 5, and Rwanda still has one of the highest rates child mortality in the world. As funding for the Global Alliance for Vaccines and Immunization (GAVI) phases out during 2006-2008, immunization programs in Rwanda will be under-funded by \$3 million per year. USAID is providing assistance to identify alternative financing of the immunization program in Rwanda, but the shortfall will persist. To date, vaccine coverage rates in Rwanda have been a major success story but the rate of vaccine preventable diseases

could increase.

The Mission's alternate FY 2006 scenario for the democracy and governance SO will ensure that USAID has the resources to make a nationwide impact in democracy and governance. ESF funding would allow for nationwide support of judicial reform, the parliament and traditional justice activities that are vital for reducing conflict and promoting reconciliation. Our program component supporting reconciliation efforts is a critical part of our strategy and relies on ESF funds. Funds will allow continued support for implementation of the government's decentralization policy, strengthening of local civil society organizations, training for members of Parliament, and assistance for local elections planned in FY 2006.

Unanticipated low rainfalls decreased harvests, and increasing food prices, petrol prices and inflation rates have exacerbated food insecurity in Rwanda. USAID/Rwanda proposes to maintain PL 480 Title II resources at \$11,500,000. These funds are an integral part of the rural economic growth SO. Leveraging DA and monetization resources is critical to the achievement of rural economic growth and food security. With monetization resources, USAID/Rwanda plans to expand activities that improve rural infrastructure. Rehabilitation of feeder roads and bridges will promote farm-to-market access, raise productivity, and support conservation. Reduced Title II resources would compound the already reduced DA funding for the rural economic growth SO.

FY 2007: Resources from the Office of the Global AIDS Coordinator will continue to address the HIV/AIDS epidemic. Critically important DG DA funds will support the third year of the decentralization program and provide needed training and technical assistance to newly-elected local government officials.

With additional resources in CSH, the health SO would strengthen the overall health infrastructure to improve basic health services which cannot be funded by HIV/AIDS funds. Without a direct and substantial allocation of population funds, the Mission will be unable to make significant contributions to reproductive health activities in Rwanda, which already has the highest population density in Africa. With additional funding, USAID/Rwanda would invest in family planning and reproductive health services to address the small country's burgeoning population which threatens scarce land resources. At present funding levels, the Mission would attempt to leverage its resources with funds from other donors, including the UNFPA.

With current FY 2007 levels USAID/Rwanda's ongoing efforts will be limited to continuing successful efforts in commodities with a high potential for rural employment and income in production, processing and export. Such commodities include coffee, tea, pyrethrum, horticulture (passion fruit, cut flowers), essential oils, honey, and processed cassava and pepper for ethnic food markets overseas. If further funding is available, the rural economic growth SO and its partners would seek to identify and support other competitive enterprises in promising areas such as eco-tourism, handicrafts and textiles. Eco-tourism investments would further complement regional investment under the USAID Central Africa Regional Program on the Environment (CARPE). Under this increased funding scenario, and in connection to handicraft and textile development, USAID would seek to generate increasing benefits under the Africa Growth and Opportunity Act (AGOA).

Pipeline

The Mission reviewed expenditure rates and pipelines as part of its annual portfolio review exercise for both old SOs and new SOs. Over the last three years, the pipeline decreased from 20.6 months at the end of 2002 to 12 months at the end of 2004. Corrective actions that led to this improvement include more accurate reporting of accruals, continued training for Mission staff and partners, and training in monitoring and evaluation. Under the old Health SO, more than 40% (\$1.3 million) of the Mission's pipeline of \$3.2 million is the result of delays in sending to the Mission project financial status reports (\$501,000) and Washington-based CTO commitment documents (\$814,000) for MACS entry. Although the Mission was within the funding guidelines of 12 to 18 months of pipeline at the end of 2003, USAID/Rwanda has continued to experience delays in procurement assistance from REDSO/ESA which

has resulted in a slowed drawdown of the pipeline. Corrective actions include Mission activity managers taking measures to secure appropriate documents from Washington CTOs and close monitoring by the Mission to assure that pipelines of the old SO are liquidated by the project activity completion date of 09/30/2005.

Decommitments

The Mission has no plans for decommitments. USAID/Rwanda has managed its program portfolio and Operating Expense (OE) resources soundly. Assurance of the validity of both program and OE obligations is an ongoing exercise carried out by the SO Teams and management. Unliquidated obligations are deobligated when no longer needed for the purpose for which they were initially obligated. The controller's annual certification of the validity of obligations further strengthens the integrity of our process.

Operating Expenses and Workforce

Mission staffing level of 84 matches our target levels. Staff is broken out as follows: 5 USDHs, 4USPSCs, 1 TAACS, 1 PLP Fellow, 2 Michigan Fellows, 1 CASU, and 70 FSNs. This staff is adequate to permit continued program and activity management, sustained policy dialogue on key issues, and logistical support for Mission operations.

The OE budget increased as a result of the CAJE position reclassifications, in which 18% of OE-funded positions were increased in grade.

FY Operating Expense Level which reflects Mission's realistic estimated requirements are summarized below:

| OBJECT CLASS CATEGORY NAME | FY 2005 ESTIMATE | FY2006 TARGET | FY2007 REQUEST |
|----------------------------------|---------------------|------------------|-------------------|
| 111 Personnel Comp. | 18.0 | 20.0 | 22.0 |
| 115 Other Personnel Comp | 0 | 0 | 0 |
| 118 Special Personnel Services | 552.0 | 831.0 | 852.0 |
| 121 Personnel Benefits | 409.0 | 581.0 | 585.0 |
| 210 Travel & Trans - Persons | | 208.0 | 249.0 |
| 220 Transportation - Things | 166.0 | 75.0 | 146.0 |
| 232 Rental Payments - Other | 65.0 | 65.0 | 65.0 |
| 233 Communications, Utilities | 140.0 | 165.0 | 189.0 |
| 240 Printing/Reproduction | 5.0 | 5.0 | 5.0 |
| 252 Other Services | 215.0 | 255.0 | 260.0 |
| 253 Goods & Service/Govt | 285.0 | 304.0 | 323.0 |
| 254 Operations/Maint. Facilities | 41.0 | 26.0 | 48.0 |
| 257 Operations/Maint. Equipment | 41.0 | 35.0 | 45.0 |
| 260 Supplies & Materials | 65.0 | 85.0 | 100.0 |
| 310 Equipment | 115.0 | 160.0 | 217.0 |
| Total | 2,325.0 | 2,856.0 | 3,075.0 |

FY 2005 Operating Expenses level of \$2.325 million is predicated on the CBJ level established previously. Whereas this level does not afford the Mission to procure all of the much needed Non-Expendable Property (NXP), other Mission operations can be conducted in a frugal manner within the funds as projected.

NXP procurement (\$60,000) required in FY 2005 was deferred into the next fiscal year due to budget level imposed which can not fully accommodate Mission needs. Hopefully FY 2006 target level will be increased sufficiently to enable Mission to conduct operations in a responsible manner.

Given USDH and FSN PSC staffing levels, costs associated with personnel movements, (post assignment costs, increased school away from post allowances) as well as inflationary trends increasing foreign national salaries & benefits drive up the budget in successive years i.e. FY 2006 and FY 2007.

Of significant importance and a major cost increase to contend with is an anticipated 30% “across-the-board” salary increase for FSN employees expected to be effective 01/01/2005. FY 2005 budget submission requires cost reductions of other object classes to make available funds for FSN salaries without exceeding the imposed budget level.

Special Personnel Services include costs of USPSC’s and FSN PSC’s. Funding requirements for USPSC’s during FY 2006 is greater than FY 2005. The reason is that the duration for USPSC’s does not coincide with the fiscal year, requiring a greater claim on funds in FY 2006 & 2007 as compared to FY 2005.

At the time of submission of this FY 2006, budget target a specific level has not been determined by AID/W. These projections represent a conservative view to expected cost for Mission operations.

FY 2006 Target Level of 2.86 million is based on best cost projections for Rwanda. This limited increase precludes Mission from increasing discretionary budget line items to a more realistic level, in particular security guard services costs which are expected to increase and procurement of required replacement property.

FY 2006 Target and FY 2007 Request levels reflect increase cost projections considering expected increases in salaries, steady inflationary cost increases for goods & services including ICASS costs which are expected to increase 6.8% in 2005 and 6.5% in FY 2006 & 2007. During FY 2007, replacement NXP will be procured for actions deferred during FY 2005 and 2006, resulting from limited budgetary resources.

Certain cost categories required substantial reductions to stay within budget for FY 2005, i.e. Travel for Other Training, Site Visits Headquarter & Mission Personnel as well as Conferences/Seminars and Procurement of Equipment.

Mission has not identified nor contemplates any conflict situation.

Program Funded Personnel and Support

One of the USDHs (PEPFAR funded), 1 USPSC, the TAACS, the PLP Fellow, the 2 Michigan Fellows, the CASU, and 21 FSNs are program funded, with the remainder OE-funded.

The increase in total workforce from seventy-six last year to eighty-four this year (1 USDH, 1 PLP Fellow, 2 Michigan Fellows, 1CASU, 1 Financial Analyst, and 2 Drivers) is due in large part to additional resources and workload from PEPFAR.

E. Results Framework

696-001 Increased rule of law and transparency in governance

Program Title: Democracy and Governance

- 1.1: Justice rendered more effectively
- 1.2: Increased security of property and persons
- 1.3: Increased accountability at all levels of government
- 1.4: Civil society strengthened

696-002 Increased use of sustainable health services in target areas

Program Title: Health

SO Level Indicator:

- Condom use at last risky sex
- District with VCT centers
- HIV seroprevalence rate for women (15-24 years)

- 2.1: Increased availability of decentralized, quality primary health care and STI/HIV services in targeted regions
- 2.2: Improved knowledge and perceptions related to reproductive health, emphasizing STI/HIV, in targeted areas
- 2.3: Enhanced sustainability of Primary Health Care services through improved financial accountability and improved health care financing
- 2.4: Increased Government of Rwanda capacity to provide basic social sector support

696-003 Increased ability of rural families in targeted communities to improve household food security

Program Title: Food Security and Economic Growth

SO Level Indicator:

- Total income of USAID-assisted producer associations, cooperatives and agribusiness firms

- 3.1: Enhanced ability of farmers to produce and market targeted crops
- 3.2: Expanded agribusinesses
- 3.3: Improved policy framework for food security

696-004 Multilateral debt relief trust fund

Program Title:

696-005 Improved governance through increased citizen participation

Program Title: Democracy and Good Governance

SO Level Indicator:

- Percentage of citizens engaged in government increased at all levels
- Percentage of citizens expressing confidence in government processes

- 5.1: Reinforced capacity for implementation of decentralized policy in target districts
- 5.2: Increased government responsiveness to citizen groups at the national level
- 5.3: Enhanced opportunities for reconciliation

696-006 Increased use of community health services including HIV/AIDS

Program Title: Health and HIV/AIDS

SO Level Indicator:

Contraceptive prevalence rates in target districts
Percentage of children with DPT 3 immunization in target districts
Total number of HIV/AIDS clients reached with care and support

- 6.1: Reinforced capacity for implementation of decentralization policy in target districts
- 6.2: Increased access to selected essential health commodities and community health services
- 6.3: Improved quality of community health services
- 6.4: Improved community level response to health issues (HIV/AIDS/Family planning/Child Survival/Malaria)

696-007 Expanded economic opportunities in rural areas
Program Title: Rural Economic Growth

SO Level Indicator:

Number of entities dealing in new products and services
Volume of products marketed by assisted enterprises (specialty coffee, chili peppers, pyrethrum)

- 7.1: Expanded adoption of improved agricultural and business practices
- 7.2: Rural finance more accessible
- 7.3: Rural infrastructure improved

696-X00X delete
Program Title:

696-XXX delete
Program Title:

696-XXXX delete
Program Title: